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NOMINATION OF RICHARD R. BURT

JUNE 8, 1989.—Ordered to be printed

Mr. PELL, from the Committee on Foreign Relations, submitted the following

REPORT

together with

ADDITIONAL VIEWS

The Committee on Foreign Relations, to which was referred the nomination of Richard Reeves Burt, for the rank of Ambassador during his tenure of service as Head of Delegation on Nuclear and Space Talks and Chief Negotiator on Strategic Nuclear Arms (START), having considered the same, reports favorably thereon and recommends that the nomination be confirmed.

BACKGROUND

Ambassador Burt was nominated by President Bush on April 4, 1989, to be the head of the Nuclear and Space Talks Delegation and Chief Negotiator on Strategic Nuclear Arms. The Nuclear and Space Talks convened in March, 1985, and produced the Intermediate-Range Nuclear Forces (INF) Treaty signed by President Reagan in December, 1987. The Senate consented to the ratification of the INF Treaty in May, 1988, and the President and the Soviet President, Mikhail Gorbachev, ratified the Treaty shortly thereafter.

As the INF Treaty was completed, negotiations continued in the two other Nuclear and Space Talks fora: the Strategic Arms Reduction Talks (START) and in the Defense and Space talks. Although agreement in principle was reached on a number of START issues, those talks, as well as the Defense and Space discussions, were recessed last fall without any final agreements. The Bush Administration, following a period of review, reached agreement to resume the talks on June 19, 1989.

Ambassador Burt was involved in arms control issues from the outset of the Reagan administration. He served from 1981 to 1983

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as Director of the Bureau of Politico-Military Affairs in the Department of State. He was involved in the preparations for a resumption of talks which had been started in the Carter administration on theater nuclear forces in Europe. He was also involved in the commencement in June, 1982, of the new START endeavor.

In 1983, Mr. Burt was nominated by President Reagan, approved by the committee and confirmed by the Senate to serve as Assistant Secretary of State for European and Canadian Affairs. In this capacity, he was involved in preparation for the deployment of INF missiles and the actual deployment of those missiles. Following the Soviet decision to break off the negotiations in response to the deployment, Mr. Burt was involved in the decision of the United States and the NATO alliance to continue deployments while seeking a resumption of negotiations.

In 1985, Mr. Burt was nominated by President Reagan, approved by the committee and confirmed by the Senate as Ambassador to the Federal Republic of Germany. During that period, he dealt with a number of complex political, military and economic issues. He became engaged in various important issues involving intermediate-range nuclear forces in Europe, including the delicate matters of the unilateral decision of the West German Government to retire its Pershing IA force and return the warheads to United States control following the final phase of INF Treaty reductions.

Before entering government service, Mr. Burt was the national security correspondent for the New York Times. Earlier, he served as research associate and assistant director of the International Institute for Strategic Studies in London. He is a graduate of Cornell University and received his master's degree from the Fletcher School of Law and Diplomacy at Tufts University.

COMMITTEE ACTION

The committee held a hearing on the Burt nomination on May 5, 1989. Ambassador Burt detailed for the committee his responsibilities as Head of the Nuclear and Space Talks Delegation and Chief Negotiator for START as well as his reporting channels and working relationship with the Director of ACDA. While reporting directly to the President and the Secretary of State, Ambassador Burt noted that he will coordinate directly with the ACDA Director, who will have the responsibility for backstopping the NST delegation in Washington.

Ambassador Burt also addressed measures designed to improve the security procedures, the administration and cost accountability associated with the activities of the U.S. delegation to the Nuclear and Space Talks in Geneva. He outlined some of the actions that have already been taken to diminish any security risks in Geneva as well as actions to be undertaken in the near term:

> * * * all ACDA Top Secret information has been brought under strict control, and the Executive Secretary of each Negotiating Group has been designated as the Top Secret Control Officer, responsible for the security of all the delegations' Top Secret documents.
>
> In addition, a new policy on access to ACDA space in the mission has been implemented, under which no individual

will be given an access badge to these areas unless he or she has been certified as having the necessary clearances and a mandatory security briefing.

Ambassador Burt also outlined additional measures that will be taken:

First, every member of the U.S. Negotiating Team in Geneva, regardless of which agency they represent, will be required by me to attend a briefing on security and counter intelligence measures before they will be allowed to travel to Geneva. This briefing will be provided jointly by ACDA and the State Department's Bureau of Diplomatic Security.

Second, all delegation members will be provided with a written delegation security directive, which will outline, in considerable detail, the security responsibilities of each delegation member. The guidelines in this directive will cover physical security, document handling, and personal conduct.

All delegation members will be asked to sign a statement saying that they have read these guidelines and they will be encouraged to keep them for reference.

Third, tighter security controls will be promulgated for all sensitive delegation documents, with strict limits on the number of copies made and the distribution of these documents.

Fourth, a rotation system of inspecting the entire delegation area in the mission at the end of each business day will be implemented to insure that the area is secure every evening.

The security duty officer will inspect and certify in writing that that entire area is secure.

Ambassador Burt personally assured the committee that any violations of security will be addressed with tough disciplinary action, including, if necessary, dismissal of offenders from the delegation.

Ambassador Burt discussed the need for tighter controls over Delegation expenditures. While the Director of ACDA is responsible for many such matters, some fall under the direct purview of the various heads of the arms control delegations in Geneva. The Ambassador committed himself to ensuring that all monies spent by the Delegation, whether for housing, transportation, representation, procurement or any other purpose, are spent only for official purposes, that they are spent prudently, in a cost-effective manner, and accounted for promptly.

Ambassador Burt addressed the issue of the U.S. position at the START talks once the negotiations resume. The President has stated that he is committed to pursuing a verifiable and stabilizing agreement to reduce strategic arsenals significantly.

Ambassador Burt noted that when the START talks recessed last year, there were a number of areas of agreement. But he emphasized that the important thing is not so much that reductions be of a certain magnitude but that they be focused so as to enhance stability. The prospective START cuts can do this by emphasizing re-

ductions in the capabilities of ballistic missiles, which are the most destabilizing systems. In these categories, through limits on heavy ICBM's, ballistic missile throw-weight, and ballistic missile reentry vehicles, the agreed START numerical limits could result in 50-percent reductions in Soviet capabilities. The United States has no heavy ICBM's, and United States missile throw-weight, which is much lower than the Soviet total, would not be reduced. U.S. ballistic missile reentry vehicles would be reduced by almost 50 percent.

Because of agreed counting rules that properly treat second-strike bomber weapons more permissively, however, reductions in the total number of strategic weapons would be less than 50 percent. Thus, strategic nuclear delivery vehicles would be reduced by more than one-third on the Soviet side and by somewhat less on the U.S. side.

By requiring the deepest cuts in the more threatening systems, START could decrease the capability to conduct a first strike and thus would enhance deterrence. The limit of 1,600 strategic nuclear delivery vehicles could reduce the ability of the sides to break out of the START limits. The 50-percent throw-weight cut reduces Soviet ballistic lifting power, which affects warhead yields, accuracy, and their ability to break out of limits through rapid reload of additional reentry vehicles on existing missiles.

The nominee also touched on the issue of mobile missiles in the START negotiations. While noting that it would be premature to comment on the U.S. position with respect to mobiles pending the outcome of the Administration's strategic review, Ambassador Burt noted that the deployment of mobile missiles does pose new and challenging verification problems. He added.

> I do believe, however, that if the verification problems associated with mobiles can be resolved, deployment of a mobile ICBM system by the United States could make a significant contribution to strategic stability.

In response to committee questions, Mr. Burt also addressed himself to the issue of Soviet insistence on a linkage between a START Treaty and a treaty flowing form the Defense and Space Talks which constrained the Administration's SDI program. He told the committee, "We will continue to argue that their position on linkage is unwarranted and should be dropped."

More specifically, Ambassador Burt commented that the "Brilliant Pebbles" concept flowing from the SDI program shows great promise, and that it is U.S. policy to fully protect its rights, options, and obligations for assessing the feasibility of effective strategic defenses. Thus, just as the United States could not accept a Defense and Space agreement that undercut SDI, so the nominee indicated that he would never recommend that "Brilliant Pebbles" be traded away for a START Treaty.

On the related matter of the ABM Treaty, Ambassador Burt noted that the terms of that agreement must be complied with if it is to remain a viable agreement and serve the interests of the United States. He said.

> Given the Soviet effort in this area, the ABM Treaty is currently in our security interest, if the Soviets come into

> compliance with it. Until our SDI program indicates that it would be in our interest to proceed beyond ABM Treaty limits, Administration policy is that we should preserve the Treaty and thereby maintain its limits on Soviet defense efforts. At the same time, we must not ignore the Soviet violation of the ABM Treaty.

Mr. Burt also said,

> I support the President's policy that we will conclude no strategic arms control agreements until the Krasnoyarsk violation is corrected.

The committee considered the nomination on May 17 and ordered the nomination favorably reported by a vote of 16–2. Voting in the affirmative were Senators Biden, Cranston, Dodd, Kerry, Simon, Sanford, Moynihan, Robb, Lugar, Kassebaum, Boschwitz, Pressler, Murkowski, McConnell, Humphrey, and Pell. Voting in the negative were Senators Helms and Mack.

COMMITTEE COMMENTS

A number of issues regarding the nomination were raised by Senator Helms in the course of the committee hearing and consideration of Burt's nomination. They were addressed by Mr. Burt in testimony and in answers for the record. On May 11, Senator Helms raised certain questions in a letter to the Honorable Sherman M. Funk, the Inspector General of the Department of State. The Inspector General responded in a June 6 report and briefed Democratic and Republican Committee staff in a classified session the same day.

The issues raised and addressed in the committee and in the Inspector General's report included Ambassador Burt's handling of demarches to the West German Government regarding sales by West German firms of nuclear-related items to Pakistan, his earlier reporting of information which may have been classified while national security correspondent for the New York Times, his possible involvement in the acquisition of classified information by a reporter for the New York Times while Mr. Burt was a State Department official, possible security violations by Mr. Burt as a State Department official, and the propriety of Mr. Burt's disclosure of "clear indications" of Libyan involvement in the bombing of a West Berlin night club. Moreover, on the basis of an allegation by an outside informant, the Inspector General looked into the discovery of a controlled substance at Ambassador Burt's official residence in Bonn and the possibility of the attempted suppression of a report on the matter.

Demarches

Senator Helms raised with Mr. Burt the matter of demarches to the West German government regarding nuclear-related exports to Pakistan and, subsequently, demarches on chemical-related exports to Libya, Iran, Iraq, and Syria. Mr. Burt made it clear that, as Assistant Secretary, he had pressed for the raising of such issues and that, as Ambassador, he had overseen the delivery of demarches. He told the committee frankly that, "the Germans, early on, were

not responsive." He also told the committee, "I think anybody who is aware of my record in Bonn will tell you that I was an extremely active ambassador. And I think that we, while we are very unhappy with the early reaction of the German government, we now believe that the Germans have taken some remedial steps to solve this problem."

Reporting Prior to Government Service

Senator Helms charged, with particular reference to a 1979 news article, that, as a news reporter, Mr. Burt had obtained and revealed highly classified information. Addressing the matter of the 1979 story directly, Mr. Burt told the committee, "I wrote the story not believing at the time that this would be extremely damaging."

Senator Biden pointed out that there is no such law as an Official Secrets Act in America. Accordingly, there is no law against publication of information which might be classified, with very few and specific exceptions.

Senator Cranston noted that the law against disclosure is limited to very specific forms of information concerning the nature, preparation, or use of codes, ciphers, or cryptographic systems of certain communications intelligence. For a violation to occur, the disclosure must reflect a willful intent to harm the United States.

The Inspector General reported that Mr. Burt told the OIG staff with regard to the 1979 article that the FBI never asked him for the source. Moreover, Mr. Burt indicated that "prior to publishing the article he had spoken to four or five influential people about it and none had suggested that it not be printed."

The committee certainly does not condone the release of information which the national interest demands be safeguarded. It is important to understand that, in instances in which there has been an unauthorized release of classified information, the culprits are officials obligated to protect the information, not reporters who use the information. The appalling proliferation of the unauthorized releases of classified information in recent years is a reflection upon the standards and integrity of some in office. The free media have a responsibility in our society to report truthfully and accurately upon the government. If they were allowed to report only what the government wished reported, the damage to our free society would be considerable. Accordingly, the only reasonable approach is to avoid overclassification in order to allow the fullest possible public debate, to assiduously protect those secrets which must be kept, and to endure the occasional disclosure of classified materials as an unavoidable price for our liberties.

Allegations Regarding Information Gained by Reporter

Senator Helms cited articles allegedly containing classified information which were written in the early 1980's by a reporter for the New York Times. The Senator asked Mr. Burt whether he knew the reporter and whether he had leaked information to her.

Mr. Burt said categorically, "Senator, I have not leaked any material."

With regard to his relationship with the New York Times reporter, Mr. Burt described it as "social."

Mr. Burt continued:

> I knew that she was a reporter for the New York Times, so I informed both Secretary of State Haig and Secretary of State Shultz that I did have a social relationship with Miss Miller, and asked them if they were concerned about this social relationship.
>
> I told both Al Haig and George Shultz that there would inevitably be gossip and innuendo that I was a source of her stories. I wanted them to be aware of this. Both of them told me that it was none of their business, that they respected me and they respected my discretion.
>
> I might just add to that, as you know, I was a New York Times reporter before entering government. I think by definition, people would suspect that if a leak appeared in the New York Times, I was responsible.
>
> So, as I think reporters in the New York Times will tell you, I tried to be purer than Caesar's wife in dealing with the press in general and the New York Times in particular.
>
> So, I did not hide my relationship, my social relationship, with Miss Miller. It wasn't any kind of covert relationship.
>
> During the period that we knew one another, I appeared in social occasions, I went to dinner parties in Washington, and we had an understanding that I couldn't interfere with her career—she was free to go forward as a reporter—but that under no circumstances was I going to on any occasion discuss the subjects that she was working on.

The nominee was unable to recall precisely at his hearing which of the materials appearing in the New York Times articles in question were materials of which he had knowledge. The access discussed in a May 8, 1989, letter from Janet G. Mullins, Assistant Secretary of State for Legislative Affairs. The response indicates that Mr. Burt probably was aware of some of the materials, but not all.

The Inspector General's report makes a very telling point,

> Access to knowledge regarding presidential decisions, NSC decisions, and interagency decisions would have been available from multiple sources other than Mr. Burt. DOS and the Justice Department have found it extremely difficult to identify sources of unauthorized disclosure for high-level decisions having multiple sources with access.

It was clear in Mr. Burt's responses that he understands fully the differences in responsibilities and obligations between a reporter and a government official required to protect national security information. Senator Cranston asked Mr. Burt,

> I assume that you will do your best to uphold the laws and the Constitution and to defend the country, and do nothing in any way to divulge information that would do any harm to the Nation, nor would anybody working under you be permitted, as far as you are able to control their behavior, to commit any such actions.

Mr. Burt affirmed that such would be the case.

It is important to understand that Mr. Burt has been subjected to thorough investigations prior to receiving his earlier government nomination, as well as the negotiating post for which he has now been nominated. The investigations regarding presidental appointments are particularly comprehensive. The Inspector General has reviewed these investigative efforts. There has been nothing discovered to bring into question Mr. Burt's loyalty, or suitability for the high trust and confidence placed in him. From all indications, Mr. Burt was a valued member of the top-level teams of two Secretaries of State and President Reagan. He has now received yet another vote of confidence from a new President and a new Secretary of State.

Security Incidents

On May 8, Mr. Burt clarified the question of possible security violations during his government service. Mr. Burt acknowledged, and the office of the Inspector General affirmed, citations for a Top Secret violation involving his temporary loss of a briefcase in Brussels in 1983, a violation in 1986 involving improper storage of Confidential information in his office, and a violation in 1987 involving improper storage in his office of Secret materials.

In the incident involving the briefcase, it was inadverdentently taken from a hotel lobby by a driver for a television network together with luggage for other guests. Mr. Burt immediatgely notified security personnel, and the briefcase was recovered and returned to him at a later stop. The OIG report concluded that there was no reason to conclude that the contents had been compromised.

In his May 8 response to the Chairman, Mr. Burt said,

> If confirmed by the Senate, I fully intend, as I stated in my testimony on May 5, to implement and enforce a strong and effective security program covering all members of the U.S. delegation in Geneva.

Disclosures of Libyan Intercepts

During the course of his nomination hearing, Ambassador Burt was asked about this public statements regarding Libyan involvement in the bombing of a West Berlin nightclub in April 1986. The question was raised as to whether such public statements might have compromised or otherwise done damage to U.S. intelligence sources and methods. Ambassador Burt noted that he had been interviewed on the NBC Today show regarding the bombing incident and that his statement was published in the April 8, 1986, edition of the Washington Post. The statement was quoted in the Post as follows:

> I don't think there's any disagreement. * * * in Berlin or, for that matter, in the conversations I had with senior West German officials over the weekend, that there were clear indications the Libyan were involved. (Washington Post, April 8, 1986, p. A1).

Ambassador Burt disputed the notion that his public statements had in any way compromised intelligence sources and methods. He

denied as well that he had been officially rebuked by superiors for those statements.

The report of the Office of the Inspector General noted that Ambassador Burt, as reported in the Washington Post article of April 8, 1986, did not reveal or imply that the information came from communications intercepts. However, subsequent quotes from General Bernard Rogers and President Reagan were more explicit:

> General Bernard Rogers: * * * there is "indisputable evidence" that the April 5 bombing of a West Berlin discotheque that killed a U.S. Army sergeant can be linked to a "worldwide network" of terrorists set up by Libyan leader Moammar Kadafi. "I can't tell you how we get it, but the evidence is there," he said during a question-and-answer session after a speech at the private Brandon Hall school. (Los Angeles Times, April 10, 1986. p. 2)
>
> The NATO official said West German officials had intercepted communications from Libya to its embassy in East Berlin, commenting on the attack before and after it took place. "There are always messages passed back and forth between the general Peoples' Congress (parliament) and the Peoples' Bureau (embassy) there." (United Press International, April 11, 1986)
>
> President Reagan: The evidence is now conclusive that the terrorist bombing of La Belle discotheque was planned and executed under the direct orders of the Libyan regime. On March 25th, more than a week before the attack, orders were sent from Tripoli to the Libyan Peoples' Bureau in East Berlin to conduct a terrorist attack against Americans to cause maximum and indiscriminate casualties. Libya's agents then planted the bomb. On April 4th the Peoples' Bureau alerted Tripoli that the attack would be carried out the following morning. The next day they reported back to Tripoli on the great success of their mission. Our evidence is direct; it is precise; it is irrefutable. (President Reagan's April 14, 1986, Address to the Nation)

The report of the Office of the Inspector General concludes that there is no evidence of a rebuke or reprimand over the public statement from the White House on any matter, no security violation regarding the Libyan statement incident, and no reappraisal of Mr. Burt's security clearance at that time.

In a private written communication dated June 6, 1989, Lt. Gen. William E. Odom, who was the Director of the National Security Agency at the time of the Berlin nightclub bombing, has indicated that any suspicions at the time that public statements by the U.S. Ambassador to the Federal Republic might have compromised intelligence sources were not soundly based. Recalling a series of leaks and press reports at the time that did coincide with the loss of sources, General Odom has written:

> I made a number of statements at the time as part of a campaign to stem the flood of disclosures. My intent was to limit damage, not to indict individuals per se.

General Odom noted that had he intended to blame Ambassador Burt personally:

> I would have forwarded my complaint to the Justice Department, a common practice when news reports provide evidence that 18 U.S. Code 798 has been violated. I did not forward such a complaint, nor do I recall my agency doing so at the initiative of some other intelligence official.

General Odom concluded that from the evidence he has seen, it would be wrong to hold Ambassador Burt responsible for any disclosure of intelligence sources that may have emerged in the aftermath of the Berlin discotheque bombing.

Security Check of Residence

In January 1986, during the course of a security check of the official residence requested by Ambassador Burt, a team of Security Engineering Officers discovered a container of a suspected controlled substance following a holiday open house hosted by the Ambassador. The Office of Security in Frankfurt conducted an immediate investigation with the Ambassador's full cooperation. The investigating agent reported that there was no evidence of actual possession or use by any U.S. officials associated with the American Embassy. For its part, the Office of the Inspector General conducted its own investigation of this incident and its subsequent handling by the Office of Security. The report of the Office of the Inspector General concurred in the judgment of the investigating agent, although it noted that the results of the initial investigation, for reasons unknown but in no way attributable to Ambassador Burt, appear not to have been communicated formally to senior management in the Department of State either on the informational basis or for decision.

CONCLUSION

Having reviewed the issues raised regarding Mr. Burt and his responses and having had access to the independent report of the State Department Inspector General, prior to reporting to the Senate, the committee reached the conclusion that Mr. Burt is fully qualified to perform his duties effectively. The START Treaty now in prospect is a critically important undertaking. Indeed, the eventual significance of the INF Treaty will hinge in great measure upon the success of the two sides in bringing about meaningful, stabilizing reductions in strategic offensive arms. Moreover, it will be essential for both sides to achieve an outcome in the Defense and Space Talks which allows the exploration of potentially valuable improvements in strategic defenses without undermining the Anti-Ballistic Missile Treaty, which is the centerpiece of prior efforts to control strategic arms.

Mr. Burt brings to these challenges a thorough background in stragetic affairs, 8 years of high-level government service, and an apparent commitment to pursue the President's objectives in the Geneva talks. Accordingly, the committee reaffirms its judgment that Mr. Burt should be confirmed.

ADDITIONAL VIEWS OF SENATOR JESSE HELMS OF NORTH CAROLINA

SUMMARY

Richard Reeves Burt has been nominated to the position of Head of the U.S. Delegation for the Nuclear and Space Talks and Chief START Negotiator. Needless to say, this position is one of supreme sensitivity, dealing as it does with the highest and most important secrets of U.S. strategic defense capability.

Unfortunately, Mr. Burt's career demonstrates that he has little sensitivity to the need to protect the security of highly classified information. He appears to act as though it is immaterial whether top secret and more highly classified information gets into the hands of the press. It may be that his former career as a journalist has desensitized his concern for security laws, rules, and regulations. On the other hand, as a diplomat, he failed on over 100 occasions to provide classified information to the appropriate committees of Congress on a subject specifically mandated by law.

These circumstances validly raise the question whether Mr. Burt ought to serve in any position which requires access to Top Secret and Sensitive Compartmented Information (SCI) Moreover, they raise the question of whether the personnel security system is functioning at a level adequate to protect our most sensitive secrets. Time after time security officials failed to follow established procedures, lost files pertinent to Mr. Burt's activities, neglected to send information of violations to a higher level, or simply omitted to conduct investigations that should have been required by circumstances. A report which I requested of the State Department Office of the Inspector General was inconclusive, but confirmed the failure of the security system in many specific instances.

Although the actions in question were individually serious, the pattern of negligence and repeated violations raises serious doubts that Mr. Burt is fit to hold a security clearance. Moreover, Mr. Burt misinformed and misled the committee during questioning. Subsequently he corrected one misleading statement, but left others on the record.

Specifically, Mr. Burt's attitude toward security classifications may be inferred from the following:

1. As a journalist for the New York Times, Mr. Burt published details of the CHALET satellite intelligence collecting system in 1979. Although some legal experts believe it does not contravene the espionage laws to publish classified information generally, the publication of information relating to intelligence collection is specifically punishable by law. In any case, it is clear that Mr. Burt condoned such disclosure, and condoned the actions of whatever government official or officials who provided him illegally with the information.

2. In the period 1981–83, while holding an SCI clearnance, Mr. Burt maintained what he described as "a social relationship" with a female journalist for the New York Times who began to publish classified information to which he had access in at least seven separate articles. Mr. Burt denies that he gave her the classified information, but his denial is uncorroborated. No investigation was held.

3. While he was Ambassador to the Federal Republic of Germany, Mr. Burt gave a TV interview which indirectly disclosed our capability to intercept and analyze terrorist communications by Libya. Newspaper reports state that he was "reprimanded" by the White House. As a result of the public discussion which followed Mr. Burt's interview, Libya changed its intelligence communication methods and we lost valuable access to terrorist communications.

4. Mr. Burt was intensely questioned about the espionage laws, particularly 18 USC 798, during his hearing in 1982. Nevertheless, in 1989, he testified that he had never read section 798. The IG report shows that Mr. Burt has six times signed Security Nondisclosure Agreements stating that he had section 798 and other such statutes in hand available to be read. It rather stretches the imagination that a nominee questioned about section 798 at a nomination hearing would not have read or been briefed on the statutes at least after the fact. In any case, he was clearly derelict in his duty if he declined to read them when the opportunity was made available on six occasions. Either he supplied incorrect information to a U.S. Senate Committee, or he has zero interest in what his legal obligations are under the security statutes, or both.

5. Mr. Burt was cited for three separate security violations. When questioned in committee, he could recall only one, for leaving a low-level classified document unsecured. When asked if he had ever been cited for an incident involving a briefcase, he could not remember. In point of fact, the IG report shows that he was cited for losing a briefcase with top secret information in Brussels while traveling with the Vice President. The briefcase was found in the hands of a journalist. The briefcase was lost early in 1983; on Februrary 4, 1983, he admitted that he lost the material; on February 16 he was confirmed by the Senate as Assistant Secretary for European Affairs. Clearly this major top secret violation, coming as it did right before confirmation to an important post, made little or no impression upon him. His total lack of memory, even when prompted, demonstrates his lack of concern for security.

6. When Mr. Burt was Ambassador to Germany, according to the IG report, security personnel found a 35 mm. film cartridge containing marijuana in his Bonn residence. Although no evidence was found that Mr. Burt used marijuana, Mr. Burt's explanation that a guest had left the illegal substance and he had forgotten to report it was uncorroborated.

In any case, the incident demonstrates a continued lack of concern for security.

With these examples in mind, it is astonishing that the security system failed to consider them adequately. A number of irregularities appeared:

1. In 1981, Mr. Burt was given SCI clearance while the Attorney General still had an open investigation on the CHALET disclosure.

2. The FBI never asked Mr. Burt for the name of his source, nor did Mr. Burt disclose the name voluntarily.

3. Mr. Burt was never questioned about his relationship with the female New York Times journalist after she began to publish classified information to which he has subsequently admitted he had access. No reference to his relationship with the journalist appears in his security file.

4. The top secret violation involving the lost briefcase was left out of his security evaluation summary.

5. The IG report states that the regional security officer concluded that the contents had not been compromised, even though it had been in the hands of journalist for an extended time, based on Mr. Burt's uncorroborated assertion.

6. No records were kept on the marijuana incident, and it never became part of Mr. Burt's security file. The IG report stated that the investigation was conducted "in a manner inconsistent with professional investigative methodology."

INTRODUCTION

Newspaper accounts report that, in recent years, the U.S. START Delegation in Geneva has not always observed the highest standards of security and decorum. The reports indicate careless security procedures, the loss of quantities of highly classified data, and imprudent personnel involvement in social activities with foreign nationals, associations which may well have jeopardized the nation's security. Needless to say, penetration of the U.S. START delegation is high priority of the Soviet KGB.

When Mr. Burt appeared before the committee on May 5, 1989, he had a prepared statement ready to address this problem, in which he said:

> Many members of the Senate are quite concerned about reports which we have received concerning lax security controls over the delegation in Geneva and a number of possible serious violations and penetrations of our national security.
>
> As head of our delegation in Geneva, I will work to strengthen our security practices there.
>
> * * * * *
>
> In cooperation with the ACDA Director and with the State Department's Bureau of Diplomatic Security, I plan to take the following additional measures.
>
> First, every member of the U.S. Negotiating Team in Geneva, regardless of which agency they represent, will be required by me to attend a briefing on security and counter intelligence measures before they will be allowed to travel to Geneva. This briefing will be provided jointly by ACDA and the State Department's Bureau of Diplomatic Security.

> Second, all delegation members will be provided with a written delegation security directive, which will outline, in considerable detail, the security responsibilities of each delegation. The guidelines in this directive will cover physical security, document handling, and personal conduct.
>
> All delegation members will be asked to sign a statement saying that they have read these guidelines and they will be encouraged to keep them for reference.
>
> Third, tighter security controls will be promulgated for all sensitive delegation documents, with strict limits on the number of copies made and the distribution of these documents. * * *
>
> * * * * *
>
> Fifth, I, personally, will ensure that all violations of security are addressed with tough disciplinary action, including, if necessary, dismissal of repeat offenders from the delegation.

This is an admirable statement of commonsense security procedures, and I applaud Mr. Burt for going on public record as to his intentions in Geneva, if confirmed. Unfortunately, Mr. Burt's declaration lacks credibility, based upon his own past conduct.

The handling of classified data is governed both by statute and by agency guidelines, principally those of the CIA which processes requests for access to so-called SCI, that is, Sensitive Compartmented Information. The statutes, specifically 18 USC 793, 794, 798, and 952, commonly called the Espionage Laws, were designed to prevent anyone—civilian, government, or military, citizen or alien—from transferring to the enemy information which is essential to the national defense. The SCI guidelines provide the investigative criteria for determining whether a person should have access to sensitive materials. The guidelines are found in DCI Directive 1/14, promulgated by George Bush in 1976 when he served as Director of Central Intelligence.

It is not the business of the committee or the Senate to determine whether laws have been broken, or whether an individual should have access to SCI materials. Nevertheless, in reviewing a nominees' fitness to hold an office which requires such access, it is proper to assess the nominee's attitude toward the protection of sensitive data when his past activities indicate irresponsible and imprudent behavior that have damaged our national security.

I. Mr. Burt's Participation in Disclosure of Intelligence Data

18 USC 798 applies heavy fines and imprisonment against any person who "knowingly and willfully communicates, furnishes, transmits * * * or publishes any classified information concerning the design, construction, use, maintenance, or repair of any device, apparatus, or appliance used by the United States * * * for cryptographic or communication intelligence purposes." [18 USC 798 is attached as Exhibit I.] Unlike other espionage statutes, section 798 requires only that the furnishing or publishing be done knowingly and willfully, and does not require an additional intent to harm the United States. It is also distinguished from sections 793 and 794

in that it specifically prohibits "publishing" which the others do not. In 1979, Mr. Burt, then a reporter on national security affairs for the New York Times, received from an unknown source and published in his newspaper details of the design, construction, and use of the then secret CHALET intelligence communications satellite. [This article is attached as Exhibit II.] Clearly, the intent of section 798 was to make such an action a crime, both on the part of the person who furnished the information and on the part of the person who published it.

The Senate Select Committee on Intelligence did an assessment of the damage which Mr. Burt caused by his article and concluded that the information he disclosed fit the literal definition of "top secret"—that is, information the release of which could be expected to do exceptionally grave damage to national security. But according to the State Department Inspector General report of June 6, 1989, "Mr. Burt said that the FBI never asked him for the source of the 1979 article."

It is not the purpose of this Senator to argue that Mr. Burt should have been prosecuted. The point is that this is a well-documented case which shows that Mr. Burt cooperated with, and thereby approved, the disclosure of intelligence information that was prejudicial to the interests of the United States. Some have argued, under an absolutist vision of the First Amendment, that the press can publish any defense secret, no matter how vital; but that surely does not apply to Mr. Burt's informant. The information was supplied by an unknown government employee and the argument for First Amendment rights cannot apply to a government employee who has signed a secrecy agreement as a condition of access to SCI material.

In the aftermath of Mr. Burt's publication of information concerning this source of communications intelligence, a number of foreign governments, in order to protect their own sources, took steps to deny U.S. access to such data relevant to U.S. verification of arms control treaties.

Mr. Burt failed to repudiate the action of the government employee who originally disclosed the information which he published. For this reason, it is difficult to understand why he himself was given access to SCI material when he entered government in 1981 if he believed that any government employee had the right to decide to give such information to the press at any time.

II. Mr. Burt's Relationship With a Journalist Disclosing Classified Data

The Minimum Personnel Security Standards and Procedures governing eligibility for access to Sensitive Classified Information are set forth in an unclassified directive known as DCID 1/14. [This document is attached as Exhibit III.] These provisions apply to all persons other than elected officials, federal judges, and individuals for whom there is a special exception, without regard to civilian or military status, form of employment, official rank or position, or length of service. Those who do not meet the minimum security criteria are to be denied access to SCI.

The process of deciding whether or not access should be given is determined by reference to eleven criteria for adjudication. These include (a) loyalty; (b) close relatives and associates; (c) sexual considerations; (d) cohabitation; (e) undesirable character traits; (f) financial irresponsibility; (g) alcohol abuse; (h) illegal drugs and drug abuse; (i) emotional and mental disorders; (j) record of law violations; and (k) security violations.

Annex A to DCID 1/14 states:

> The adjudicative process entails the examination of a sufficient period of a person's life to make a determination that the person is not now or is not likely to become an acceptable security risk later. SCI access adjudication is the careful weighing of a number of variables known as the "whole person" concept. The recency of occurrence of any adverse incident, together with circumstances pertaining thereto, is central to a fair and uniform evaluation. Key factors to be considered in adjudication are the maturity and responsibility of the person at the time certain acts or violations were committed as well as any repetition or continuation of such conduct * * * Any doubt concerning personnel having access to SCI shall be resolved in favor of the national security.

Thus, having been involved in a major disclosure of security information in 1979—one that involved wide investigations and reevaluation in the intelligence community—Mr. Burt was on record when he sought SCI access in 1981 as having covered up and condoned such disclosure on the part of his unknown accomplice, not to speak of his own position that he, as a journalist, had the right to determine whether to publish classified information about communications intelligence sources and methods. It is difficult to understand why he would have been granted such access.

Nor is access, once granted, permanent. DCID 1/14 states "reinvestigations shall be conducted * * * on a more frequent basis where the individual has shown some questionable behavioral pattern, his or her activities are otherwise suspect, or where deemed necessary by the [Senior Officer In Charge]."

During the period 1981–83, while Mr. Burt was Director, Military-Political Affairs, and Assistant Secretary for Europe, he conducted an ongoing association, which he testified was "a social relationship" with Ms. Judith Miller, a reporter on national security affairs for The New York Times. During this period, Ms. Miller published some 30 articles dealing with topics in the general area of Mr. Burt's duties. At least seven of these articles appeared to contain classified material relating to data or deliberations to which Mr. Burt had access. [The seven articles are attached as Exhibit IV.]

While the general prudence of such an on-going relationship with a news reporter may be questioned, the far more serious question is why it was continued once Ms. Miller began to publish classified information. Once that happened, the relationship became a matter for readjudication of Mr. Burt's access to SCI, according to the established criteria.

The mere coincidence of Mr. Burt's relationship with Ms. Miller during the period during which she published classified information to which he had access does not, of course, establish that Ms. Miller obtained the information directly or indirectly from Mr Burt. Mr. Burt denied in testimony that he furnished classifed information to her. But his unsupported denial lacks credibility in view of the fact that he had previously condoned a government employee's transferring highly classified information to The New York Times. And even if he did not furnish her with classified information, the continuing of such a relationship under the circumstances gave the appearance of condoning the breach of the fiduciary duty of other government employees to safeguard national security information.

Mr. Burt testified that he was never questioned about the Miller articles containing classified information to which he had access. Yet DCID 1/14 clearly requires a readjudication of access to SCI when the subject is involved in a situation which might lead to pressure to supply illegally classified information:

> Sharing living quarters with a person or persons, regardless of their citizenship status may be indicative of a close relationship, whether or not it is considered intimate. The potential for adverse influence or duress should be considered in any close or long-term relationship between the subject and another individual.
>
> The adjudicator must assess carefully the degree of actual and potential influence that such persons may exercise on the individual based on an examination of the frequency and nature of personal contact and correspondence with and the political sophistication and general maturity of the individual.
>
> * * * * *
>
> DCID 1/14 requires that, to be eligible for SCI access, individuals must be stable, of excellent character and discretion, and not subject to undue influence or duress through exploitable personal conduct.
>
> Sexual promiscuity and extramarital relations are of legitimate concern to the SCI adjudicator where such conduct reflects a lack of judgment and discretion, or when the conduct offers the potential for undue influence. * * *
>
> * * * * *
>
> In all cases, the individual's spouse or cohabitant shall at a minimum be checked through the subversive and criminal files of the Federal Bureau of Investigation and other national agencies as appropriate. When conditions indicate, additional investigation shall be conducted on the spouse of the individual and members of the immediate family (or other persons to whom the individual is bound by affection or obligation) to the extent necessary to permit a determination by the adjudicating agency that the provisions of paragraph 5 [e.g. "The individual shall be stable; trustworthy; reliable; of excellent character, judgment, and discretion."] above are met.

Some of these guidelines may or may not apply to Mr. Burt. Nevertheless, they illustrate the kinds of considerations of risk that adjudicators must bear in mind as they consider a case. Indeed, the guidelines, in a parallel situation, state that an applicant must file a statement of intent if he or she intends to marry a foreign national—in which case security access is denied until there is a full field investigation of the other party.

According to the Inspector General's report, Mr. Burt denied cohabitation, but interviews conducted by the IG with 18 people in 1989 "also disclosed that Mr. Burt was believed to have cohabited with Ms. Miller after separation from his previous wife and before remarriage in 1985." Despite the circumstantial evidence suggesting that security may have been compromised, no special inquiry was made on the grounds that she was not a foreign national. It is not Mr. Burt's relationship, per se, that is in question, but the issue of compromising security information. It is plain, therefore, that an extensive social relationship with a journalist publishing classified data constitutes a legitimate cause for concern of a security risk. The apparent failure by both Mr. Burt and security officials to consider the security risk involved in an amazing collapse of security policy.

III. Mr. Burt's Denial That He Leaked Information

Mr. Burt testified on May 5 that he never leaked any classified information. In the course of a lengthy exchange, I asked the following:

> But what you are saying to me is jsut on occasion you may have escorted her to a dinner party and you never, never discussed any official business with her—never. Is that right?

Ambassador Burt. That is correct.

Shortly after that exchange, I was visited by a former high official of government who alleged that he was present at a social occasion with Mr. Burt and Ms. Miller when Ms. Miller began discussing some highly classified information. According to this witness, when Mr. Burt realized that he was being compromised by this discussion in the presence of a third party, he became very angry and acted in an irresponsible manner. I have asked the State Department Inspector General to investigate this matter. No response was made on this issue.

IV. Mr. Burt's Disclosure of the Libyan Intercepts

When Mr. Burt was Ambassador to the Federal Republic of Germany, he gave an interview on West German television after the bombing of the U.S. soldiers in the La Belle Disco in Berlin. In the course of this interview, he pointed the finger at Libya, making indirect references to U.S. ability to intercept and analyze Libyan coded communications pertaining to terrorism. This reference, and the consequent publicity did severe damage to U.S. sources and methods, and caused great consternation among members of the U.S. intelligence community. In order to protect the secret of our ability to intercept Libyan messages, even the lives of agents in

place had been previously put at risk. Libya, alerted for the first time to the fact that we could decipher her codes, immediately changed equipment and procedures. According to The Philadelphia Inquirer, the government of Libya thereafter purchased and installed sophisticated Swiss cryptographic equipment to protect international communications from foreign interception. As a result, our ability to obtain foreknowledge of terrorist bombing plans was severely restricted.

The Washington Post reported that Mr. Burt had been "reprimanded." In defense of Mr. Burt, some have held that President Reagan himself confirmed the details of the intercept a few days later. But by that time, the operation had been blown so completely by Mr. Burt that it was no longer a secret matter. Moreover, the President has the power to declassify any information he wishes to use; Mr. Burt did not have that authority.

The seriousness of the breach of security may be evaluated by the previous reference to 18 USC 798. In addition to the criminalization of disclosing classified information about cryptographic and communications devices, it also safeguards classified information:

> (3) the communication intelligence activities of the United States or any foreign government; or
>
> (4) obtained by the processes of communication intelligence from the communications of any foreign government, knowing the same to have been obtained by such pressures. * * *

Although Mr. Burt's revelation of knowledge obtained from deciphering Libyan intercepts may or may not have been advertent, it was certainly a most serious matter. It must be judged in the light of his continuing pattern of indifference to prudent protection of sources and methods.

The State Department Inspector General and the Director of Central Intelligence and the Director of the National Security Agency were all asked about this episode. The Inspector General stated that he was unable to contact Lt. General Odom, the former Director of NSA. The CIA and the NSA did not respond to my letters requesting information on this subject. [The letters are attached as Exhibit V.]

V. Mr. Burt's Knowledge of Security Procedures

Although Mr. Burt testified that, if confirmed, he would institute stringent security procedures for the START delegation to Geneva, including mandatory briefings, written directives on security procedures, signed acknowledgments of having read the guidelines, and tough disciplinary action, including firing for repeat offenders, he also testified that he, himself, was unfamiliar with the espionage laws. I stated:

> In retrospect, do you feel that the person who gave you the information [about the top-secret CHALET satellite] was in violation of the espionage laws?
>
> Ambassador Burt. In retrospect?
>
> Senator Helms. Yes.

Ambassador BURT. Senator, I am not a lawyer. I have not looked at or studied, and you have just read this passage. I am not able to make an informed decision on that.

Senator HELMS. Well, you have had a long time to think about it, because we sat up there on the third floor of the Capitol [in 1982], and then you gave testimony. You have had a while to think about this.

But let me ask you this.

Do you think that the furnishing and publication of classified material is in violation of the espionage laws under 18 USC 798?

Ambassador BURT. I can't say. I just don't know the legal issues.

Senator HELMS. All this time and you've never even thought about it. Right?

Ambassador BURT. Well, I've never consulted with a lawyer on this issue. It did come up in my Senate confirmation extensively in 1982. I know it was discussed in this committee. It was discussed in the Intelligence Committee. I was voted out of committee and confirmed.

Since that time, I have not followed up to examine the legal issues that you have raised today.

* * * * *

Ambassador BURT. I am just not an expert on these espionage laws, so I——

Senator HELMS. I don't ask you to be an expert. Do you have any feeling about it?

Ambassador BURT. No. I don't know enough about the laws to——

Senator HELMS. Oh, come on, Mr. Burt. I know this is a ticklish subject for you.

Ambassador BURT. Senator, I have never read those laws, so I can't—you're asking me to say whether somebody has violated a law that I have never read. I'm not a lawyer.

Of course, everyone who receives a clearance for SCI must go through the exact same procedures as Mr. Burt proposed for the members of his START delegation, including a signed acknowledgement that the subject has been briefed on the espionage laws. Either Mr. Burth was not briefed, has forgotten that he was briefed, is being less than candid, or displays little interest in finding out what his obligations are under the espionage laws.

The fact is that every applicant for SCI must sign the following statement:

> I have read this Agreement carefully and my questions, if any, have been answered to my satisfaction. I acknowledge that the briefing officer has made available Sections 793, 794, 798, and 952 of Title 18, United States Code, and Section 783(b) of Title 50, United States Code, and Executive Order 12065, as amended, so that I may read them at this time, if I so choose.

If Mr. Burt did not sign such a statement, why didn't he? If he did sign it, did he read Sections 793, 794, 798 and 952 of Title 18, USC as made available to him? If he did not read them, why not? If he did read them, then did he mislead the committee when he testified that he did not? Would it not be fair to conclude, then, that he furnished false information to the Congress? If Mr. Burt did not read the statues, he is derelict in his duty; if he did read them, he is attempting to deceive the committee. Whatever the answers to these questions, they must form part of Mr. Burt's continuing pattern of indifferences to security procedures.

The State Department Inspector General has established that Mr. Burt signed six Security Nondisclosure Agreements containing the above language. These agreements are dated: January 29, 1981; March 2, 1981; July 21, 1982; April 25, 1985; September 6, 1985; and April 11, 1989.

VI. The Relevance of Mr. Burt's Lifestyle

This indifferences to prudent security procedures appears also to pertain to Mr. Burt's lifestyle. During the May 5 hearing, Mr. Burt was asked about reported instances of security reprimands for carelessness. By themselves, such instances may not be of overwhelming importance; but as part of the general picture, they increase the danger of a security risk. Mr. Burt admitted to one instance of leaving classified papers on a desk. He was asked about another purported case of a lost briefcase, but could not remember.

The Inspector General reported that Mr. Burt received the following three violations:

1. A top secret violation on February 4, 1983, regarding the briefcase incident noted above;
2. A confidential violation, dated May 6, 1986 for improper storage of classified information; and
3. A secret violation, dated May 15, 1987, for improper storage of classified information.

Subsequently, on June 8, Assistant Secretary of State Janet G. Mullins wrote stating that Mr. Burt wished to "clarify the record of the hearing." I have already commented on the nature of the violation reported in the clarification. [The letter from Ms. Mullins, with Mr. Burt's statement, appears as Exhibit VI.]

The IG report also reveals that marijuana was found by security personnel in Mr. Burt's residence in Bonn in January, 1986. When Mr. Burt was asked about this discovery, he stated tht the drug was left behind by a guest. But Mr. Burt stated that he found the drug, but did not initially report it. Although no evidence of the use of illicit substances was found, Mr. Burt's explanation of the origin is uncorroborated. [An unclassified letter from the Inspector General is attached as Exhibit VII.]

VII. Mr. Burt's Failure To Report as Required by Law

While Mr. Burt's career suggests that he cares little for security precautions when dealing with the press, his record with regard to keeping classified information from Congress is untarnished. Although the Federal Republic of Germany was secretly warned over 100 times about lax procedures leading to prohibited arms prolif-

eration—with no response from Germany—Mr. Burt neglected to inform Congress about his failure to get the German Government to respond adequately.

During his hearing Mr. Burt was questioned extensively about a published report that during the time he was Ambassador to the Federal Republic of Germany (FRG), the United States Government presented the FRG Government with over 100 complaints, known as "demarches", regarding FRG-based company exports of nuclear materials and equipment to Pakistan. According to the published report, the demarches ended up in the "wastebaskets" of responsible FRG officials. There seems to be no indication of a positive response to these demarches by the FRG Government nor does it appear that Mr. Burt took notice of the lack of response.

Section 602(c) of the Nuclear Non-Proliferation Act of 1978 requires the Department of State to "keep the Committees on Foreign Relations and Governmental Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives fully and currently informed with respect to (its) activities to carry out the purposes and policies of this Act and to otherwise prevent proliferation, and with respect to the current activities of foreign nations which are of significance from the proliferation standpoint".

In a written question, Mr. Burt was asked, "With regard to nuclear proliferation, please provide an opinion of counsel explaining why Congress was notified (about the 100 demarches) as required under Section 602(c) of the Nuclear Non-Proliferation Act of 1978". Mr. Burt replied, "The Department has discharged this responsibility by offering regular briefings to the three committees on topics and developments of current concern in the field of nuclear proliferation". Mr. Burt's answer further states that these briefings covered "U.S. diplomatic efforts to have this (nuclear) procurement stopped".

On May 18, 1989 Senator John Glenn, Chairman of the Senate Governmental Affairs Committee, raised the issue of the 100 demarches with Undersecretary of State Bartholomew. Senator Glenn stated, "I certainly do not recall any number of demarches coming through that we have been informed at this end of the avenue (of) anything approaching 100 demarches just to one country, let alone all the other countries involved. So if we are to be kept fully and currently informed, let me just state here we have not been and we expect to be * * *"

Minority staff of the Senate Foreign Relations Committee has made an extensive search of its files and records and can likewise find no record of any effort by Ambassador Burt or the Department of State to inform the committee of FRG nuclear exports to Pakistan as required by law.

Extensive congressional testimony over a number of years has made it abundantly clear that during the 1980's, and probably before, FRG-based firms were the prime source of improper strategic exports to the Warsaw pact, as well as chemical/biological weapons equipment and missile technology to the Middle East, and finally, nuclear exports to India and Pakistan. As noted above, published reports suggest that the United States officially complained over 100 times about improper German exports to Pakistan alone. Counting complaints about all improper exports would undoubtedly

run into the hundreds. During the majority of this period, Mr. Burt has been one of the prime U.S. officials charged with diplomatic relations with the FRG, first as Assistant Secretary of State for European Affairs and later as Ambassador to the FRG.

The fact that Mr. Burt never took these improper exports seriously nor informed the Congress of the failure of the FRG Government to respond to our complaints raises serious doubts about his fitness for the position to which he has been nominated. Our chief nuclear arms negotiator will not be successful if his negotiating opponent knows that the American official will neither challenge him nor report intransigence to the Congress.

VIII. Recommendation

An Ambassador appointed by the President with the advice and consent of the Senate represents the President of the United States, who, in turn, has a duty to execute faithfully the laws of the United States. Does the record of Mr. Burt's conduct indicate a fidelity to the duty to protect communications intelligence of the United States? Does the Record of Mr. Burt's denials of disclosure of classified information, and denials of even reading the statutes protecting intelligence information reflect truthfulness before this committee?

Until these matters are more satisfactorily explained and resolved, I must advise Members of the Senate to withhold the advice and consent to the appointment of Richard Reeves Burt to serve as Ambasador during his tenure as Head of the U.S. Arms Control delegation in Geneva.

EXHIBIT I—18 U.S.C. 798

§ 798. Disclosure of classified information

(a) Whoever knowingly and willfully communicates, furnished, transmits, or otherwise makes available to an unauthorized person, or publishes, or uses in any manner prejudicial to the safety or interest of the United States or for the benefit of any foreign government to the detriment of the United States any classified information—

(1) concerning the nature, preparation, or use of any code, cipher, or cryptographic system of the United States or any foreign government; or

(2) concerning the design, construction, use, maintenance, or repair of any device, apparatus, or appliance used or prepared or planned for use by the United States or any foreign government for cryptographic or communication intelligence purposes; or

(3) concerning the communication intelligence activities of the United States or any foreign government; or

(4) obtained by the processes of communication intelligence from the communications of any foreign government, knowing the same to have been obtained by such processes—

Shall be fined not more than $10,000 or imprisoned not more than ten years, or both.

(b) As used in subsection (a) of this section—

The term "classified information" means information which, at the time of a violation of this section, is, for reasons of national security, specifically designated by a United States Government Agency for limited or restricted dissemination or distribution;

The terms "code," "cipher," and "cryptographic system" include in their meanings, in addition to their usual meanings, any method of secret writing and any mechanical or electrical device or method used for the purpose of disguising or concealing the contents, significance, or meanings of communications;

The term "foreign government" includes in its meaning any person or persons acting or purporting to act for or on behalf of any faction, party, department, agency, bureau, or military force of or within a foreign country, or for or on behalf of any government or any person or persons purporting to act as a government within a foreign country, whether or not such government is recognized by the United States;

The term "communication intelligence" means all procedures and methods used in the interception of communications and the obtaining of information from such communications by other than the intended recipients;

The term "unauthorized person" means any person who, or agency which, is not authorized to receive information of the categories set forth in subsection (a) of this section, by the President, or by the head of a department or agency of the United States Government which is expressly designated by the President to engage in communication intelligence activities for the United States.

(c) Nothing in this section shall prohibit the furnishing, upon lawful demand, of information to any regularly constituted committee of the Senate or House of Representatives of the United States of America, or joint committee thereof.

(Added Oct. 31, 1951, ch 655, § 24(a), 65 Stat. 719.)

EXHIBIT II

U.S. Plans New Way to Check Soviet Missile Tests

By RICHARD BURT
Special to The New York Times

WASHINGTON, June 28 — The Carter Administration, concerned that Turkey might not allow U-2 reconnaissance planes over its territory, is preparing an alternative plan for verifying the new strategic arms treaty with Moscow, officials here said today.

The plan, they said, calls for several improvements to existing methods for monitoring Soviet missile tests, including the upgrading of an electronic listening post in Norway and the use of a satellite that is now programmed to collect other information.

Although the officials acknowledged that the use of specially designed U-2R planes flying over Turkey offered the best substitute for listening stations lost in Iran early this year, they asserted that the alternative improvements to other intelligence systems would enable the Administration to insure that Moscow did not exceed restrictions on missile modernization contained in the arms treaty.

A New Satellite by 1983

They said that as early as 1983, the United States would possess a new satellite that could monitor almost all the missile test data formerly obtained by the monitoring sites in Iran.

State Department officials pointed to a statement yesterday by the Turkish Foreign Ministry indicating that the U-2 might still be permitted to fly over the country. Although a ranking Turkish Army officer said earlier this week that the flights could not be permitted "under present circumstances," a Foreign Ministry spokesman said the Government had not reached a final decision.

Despite this, critics of the arms accord on Capitol Hill maintained that, with or without the surveillance flights, the United States could not verify restrictions against increases in size and payload of existing missiles.

Big Soviet Explosion Detected

The verification controversy heated up this week with reports that the Soviet Union conducted an underground nuclear test last Saturday that might have exceeded limits laid down in an accord Moscow signed in 1974 with Washington.

The accord put a ceiling of 150 kilotons on the size of such nuclear explosions. Some American experts believe that the latest Soviet test might have been twice that size. One kiloton is equivalent to 1,000 tons of TNT.

Although it is unclear whether the Soviet test exceeded the 150 kiloton limit, officials said the Administration has asked Moscow to explain the possible infraction.

Meanwhile, officials said that plans were under way at the Central Intelligence Agency and in the Pentagon to collect missile test data previously obtained by the stations in Iran by using a satellite, code-named Chalet, and a large radio intercept antenna in Norway.

Signals Can Be Intercepted

They said both the satellite and the ground station in Norway could be adjusted to pick up some of the radio signals broadcast by Soviet missiles during flight tests. The telemetry signals provide data on missile performance characteristics and are thus considered vital to verifying the treaty provisions concerning modernization of weapons.

Earlier, officials said, the possibility of building a monitoring station in Pakistan similar to those lost in Iran, had been considered by the Administration. The proposal was turned down after informal contacts with Pakistani authorities indicated that it would not be accepted.

A proposal for using high-altitude rockets launched from ships in the Indian Ocean to monitor missile test signals was also dismissed as technically unfeasible, they said.

Critics See Holes in Detection

Congressional critics of the proposal to rely on the Norwegian station and satellites for verification contended that these systems would only be able to pick up a small fraction of the missile telemetry obtained previously at the Iranian sites. They said that a major function of the Iran stations had been to collect missile data transmitted during the first 60 seconds of a test launch and that this data could not be collected from Norway or from existing systems in space.

Pentagon officials said that for Moscow to build a new missile undetected, it would have to shield 20 or so test launches from American surveillance systems for more than a year. They contended that modest improvements to existing reconnaissance capabilities ruled out the possibility of a large-scale covert program of this sort.

EXHIBIT III

The New York Times

NEW YORK, TUESDAY, JULY 20, 1982

U.S. SAID TO DECIDE AGAINST NEW TALKS TO BAN ALL A-TESTS

REAGAN ASSENT REPORTED

Parley With Soviet and Britain to End Underground Trials Was Suspended in '80

By JUDITH MILLER
Special to The New York Times

WASHINGTON, July 19 — President Reagan decided today not to resume negotiations on a comprehensive ban on nuclear testing, according to Administration and Congressional officials.

The talks with Britain and the Soviet Union that were aimed at ending underground tests of less than 150 kilotons — the only testing now permissible under previously negotiated treaties — have been suspended since 1980.

The decision not to try to make the test ban a total one was reportedly made today at a National Security Council meeting, and, according to the officials, it was made because of the doubts of some members of the Administration about the verifiability of a comprehensive ban and because of the need to keep testing new nuclear weapons.

The White House declined to comment on the meeting today.

The Spread of Nuclear Arms

The decision not to resume negotiations on a total test ban has no bearing on the talks in Geneva between the Soviet Union and the United States to reduce strategic and intermediate-range nuclear weapons, according to Administration officials. Nor does it reverse the nation's previous commitment to refrain from nuclear testing above ground in accordance with a treaty signed in 1963, they said.

Officials said the Administration was not ruling out the goal of a total nuclear ban at some other time but stressed that, at present, it did not seem to be in the best interests of the United States.

Arms control advocates have long maintained that a comprehensive test ban is central to preventing the spread of nuclear weapons. They argue that, unless the superpowers are at least prepared to ban their nuclear testing programs, there is little incentive for other countries to give up atomic development programs.

Concern Over Adverse Reaction

The decision not to resume the test ban talks seems in accord with other Reagan Administration actions of recent months that take a hard line toward the Soviet Union. The Administration apparently wanted to keep its decision secret because it was afraid of adverse reaction in the Soviet Union and among American allies and developing countries.

Every Administration since that of John F. Kennedy has voiced a commitment to negotiating a comprehensive test ban. And few outside of Government even knew that a policy debate was scheduled, although a review of nuclear testing policy had been going on for almost a year and a half. Officials

Continued on Page A4, Column 4

The New York Times

NEW YORK, TUESDAY, JULY 20, 1982

U.S. Said to Oppose Renewing A-Test Talks

Continued From Page A1

declined to say why the issue was discussed and decided at this time.

At the National Security Council meeting, Mr. Reagan also reportedly discussed whether to continue to observe the underground testing limitations of less than 150 kilotons that are contained in two previously negotiated treaties. Officials said that representatives of the Departments of Energy and Defense had urged Mr. Reagan to press the Soviet Union for negotiations to strengthen verification measures provided for in the two treaties, but there were varying accounts of what course the President chose.

It was not clear whether the United States would continue to participate in the United Nations Committee on Disarmament, a 40-nation group that is also negotiating on a test ban. The tripartite talks are separate, but are related to the United Nations effort.

Nuclear tests above ground, underwater and in outer space were barred in 1963 in an agreement signed by the United States, the Soviet Union and Britain and later by 120 other countries.

In 1974, the United States and the Soviet Union agreed on a Threshold Test Ban Treaty, which limited all underground nuclear tests to 150 kilotons or about 10 times the explosive power of the bomb dropped on Hiroshima. A subsequent treaty, the Peaceful Nuclear Explosions Treaty, was signed in 1976. This accord banned nuclear explosions greater than 150 kilotons for "peaceful purposes," such as mining or excavations. Although both nations claim to have abided by the limitations since then, the Senate has not approved either treaty.

The tripartite negotiations on a comprehensive ban have been under way since 1977, and former Carter Administration officials said that considerable progress was made toward an agreement to ban all testing of nuclear weapons during the 12 negotiating sessions in Geneva. But in November 1980, the negotiations recessed with the United States and the Soviet Union still divided over provisions concerning how compliance with the ban would be verified.

Later that year, President Carter postponed a final effort to negotiate a comprehensive test ban until the second strategic arms limitation agreement being negotiated with the Soviet Union was concluded, partly because of disagreement among his advisers over the merits of a comprehensive treaty. Since then, the talks have been suspended.

A Reagan Administration interagency group has been reviewing the comprehensive test ban proposal and the two test limitation agreements for more than a year.

'Vital to Security'

Recently, the group decided unanimously to recommend to President Reagan that he not resume talks on the comprehensive test ban. Representatives from the Arms Control and Disarmament Agency and from the Departments of State, Energy and Defense agreed that underground testing was "vital to the security of the United States" in order to maintain confidence in the nation's nuclear deterrent, according to Administration officials.

Specifically, participants were concerned that if the Administration was not able to test weapons from its existing stockpile, confidence in the reliability of those weapons would be eroded, officials said. In addition, the Administration is developing new nuclear weapons, such as the MX land-based and Trident II sea-based missiles, and wants to be able to test new nuclear warheads.

Another concern, the officials said, was insufficient confidence in the nation's ability to verify Soviet compliance with a total test ban. A number of experts believe that it would be difficult to distinguish between natural events, such as earthquakes, and tests at low levels. They fear that the Soviet Union thus might try to get away with such tests.

At today's meeting, White House and Administration officials said there was disagreement over what, if anything, should be said publicly about the nuclear testing policy. One official said the Departments of Defense and Energy initially favored issuing a public statement that some testing would be required as long as the nation was dependent on nuclear forces for its defense.

This was opposed by officials from the Arms Control and Disarmament Agency and the State Department, an official recounted. Both agencies warned that such a statement would foster a perception that the Administration was not seriously committed to arms control initiatives.

THE NEW YORK TIMES, SUNDAY, NOVEMBER 28, 1982

U.S. DECISION NEAR ON NUCLEAR TESTS

On Site Inspection Provisions Could Prompt a Rejection by Soviet, Critics Say

By JUDITH MILLER

Special to The New York Times

WASHINGTON, Nov. 27 — The Reagan Administration is close to approving a proposal that would require on-site inspection as a condition for ratifying two treaties with the Soviet Union on underground nuclear testing, according to Administration officials.

President Reagan has not made a final decision, the officials said. But there is substantial agreement among officials working on the accords about the changes that the United States should propose to strengthen its ability to verify Soviet compliance with them.

Some supporters of the treaties, including Senator Charles H. Percy, Republican of Illinois, have urged the Administration not to go forward. He has privately warned that insisting on such inspection might prompt the Soviet Union to reject the treaties.

The Threshold Test Ban Treaty, signed in 1974, and the Peaceful Nuclear Explosions Treaty, signed in 1976, limit underground tests — the only kind permitted — to 150 kilotons, or about 10 times the explosive power of the bomb dropped on Hiroshima. Neither accord has been sent to the Senate, which must approve them by two-thirds majority before they take effect.

The Administration has said it would continue to abide by the limits of the threshold treaty, and the Soviet Union has made the same pledge. If one side withdrew from the threshold treaty, it would no longer be bound by the 150-kiloton limitation on its testing.

The effect of either side withdrawing from the peaceful explosions accord, which both nations say they have observed so far, would probably be slight. When this accord was signed, few analysts on either side thought that many of these tests, ostensibly for "peaceful" nuclear purposes, would be conducted.

Went Better Monitoring Provisions

Last July the Administration decided to set aside efforts to negotiate a comprehensive ban on nuclear testing until verification measures of these two treaties could be improved. Officials argued at that time that the United States could not adequately verify that the Soviet Union was complying with either agreement, and that the treaties should not be approved until monitoring provisions had been upgraded.

Since then an interagency working group, composed of officials from the State, Defense, and Energy departments, the Arms Control and Disarmament Agency and the National Security Council staff has been weighing two major proposals designed to improve confidence in the nation's ability to determine that Moscow is not exceeding the testing ceiling. The National Security Council reviewed and approved the thrust of one of the proposals several weeks ago, the officials said.

They said that most agencies had now agreed on a proposal that would require the United States and the Soviet Union to provide advance notice of any test larger than 75 kilotons, or half the explosive power permitted by the treaties. Only the Defense Department is said to be insisting that the threshold for on-site inspection be lower. Defense Department officials have been pressing for on-site inspection for any test larger than 50 kilotons, officials said.

This disagreement has delayed final approval, officials noted.

Officials said that under the proposal being weighed, if the Soviet Union or the United States planned a test larger than 75 kilotons — 50 kilotons, if the Defense Department prevails — the country planning the test would have to permit the other to collect geological samples from the test site. In addition, officials from the observing country would be permitted before the test to place, or watch the installment of its own monitoring equipment at the site.

Little Effect on Test Ban

These changes would most substantially affect the Threshold Test Ban Treaty, which does not now permit any on-site inspection. The protocol of the treaty provides instead that once the accord is ratified, both countries shall provide the other with basic data about the geological composition of its testing sites, and provide information about the yield of an actual test from a site. These data are intended to permit the United States to adjust its monitoring equipment outside the Soviet Union and better estimate the yield of Soviet tests.

But Administration officials have said that the Soviet Union could misrepresent the data and the United States would not have independent means of determining their accuracy.

The Peaceful Nuclear Explosions Treaty, by contrast, provides for some advance notice of underground nuclear tests, some limited on-site American inspection and installation of measuring devices prior to such tests.

The draft proposals to upgrade verification provisions of the Threshold Test Ban have prompted criticism from the few legislators who have been told about them.

Senator Percy, chairman of the Foreign Relations Committee, argued in a recent letter to the White House that the proposed changes were overly restrictive and that the Soviet Union would be unlikely to accept them.

Mr. Percy, who could not be reached for comment, said in the letter that the changes, if proposed, might result in the unraveling of the treaties.

After the Administration's announcement in July, 40 senators co-sponsored a resolution urging Mr. Reagan to pursue comprehensive test ban talks with the Soviet Union and urging him to ratify the two treaties.

But Administration officials and some testing analysts insist that the monitoring provisions need improvement. They argue that on at least 11 occasions, the Soviet Union might have violated the 150-kiloton threshold.

U.S. Panel Urges On-Site Atom Test Checks

By JUDITH MILLER
Special to The New York Times

WASHINGTON, Feb. 8 — An interagency panel has recommended to President Reagan that two nuclear testing treaties with the Soviet Union be revised to require on-site inspection before the accords are ratified, Administration officials said today.

President Reagan has made no decision on the treaties, signed in 1974 and 1976, but it is expected by early next week, the officials said.

They declined to say whether on-site inspection meant the presence of officials from the other country during large underground tests. But they said that, for large tests, those greater than the equivalent of 75 kilotons of TNT, the panel sought the collection of rock samples and on-site installation of monitoring devices to insure compliance.

According to the officials, the panel said there was no need to renegotiate the texts of the accords — the Threshold Test Ban Treaty of 1974 and the Peaceful Nuclear Explosions Treaty of 1976. The panel said the changes could be made by revising the protocols, or appendices, to the treaties.

Some officials fear that the Soviet Union may reject any changes. Senator Charles H. Percy, Republican of Illinois and chairman of the Senate Foreign Relations Committee, voiced concern to the White House in November that insisting on inspection might result in the unraveling of the treaties.

But the American officials said they believed Moscow would agree to renegotiate the protocols of the treaties, which limit underground tests — the only kind permitted since 1963 — to 150 kilotons, or ten times the power of the bomb dropped on Hiroshima.

In July, the Administration decided to set aside efforts to negotiate a comprehensive ban on nuclear testing until the verification provisions of the two previous treaties could be improved. If agreement can be reached, the Administration would then submit the two treaties to the Senate for approval.

The proposed changes would affect mainly the Threshold Test Ban Treaty, which covers military explosions and does not now permit on-site inspection. Its protocol calls for a simple exchange of data about the geology of test sites and about the explosive power of tests. The data are used to adjust monitoring devices outside the testing country to insure more accurate measurements.

Critics of the Administration's decision to strengthen verification contend that such an exchange of data would improve American ability to detect any Soviet violations of the threshold.

But Administration officials said that these data would not be sufficient and that independent checks were needed.

The Peaceful Nuclear Explosions Treaty provides for advance notice of explosions, limited on-site inspection and installation of measuring devices before certain explosions. When the accord was signed, it was not expected that many such explosions, ostensibly for peaceful purposes, would be conducted. But the United States Government panel has also recommended some strengthening of verification provisions in this treaty's protocol.

The panel, made up of representives from the State, Defense and Energy Departments, the Arms Control and Disarmament Agency and the National Security Council staff, first made its recommendations in October. But the Defense Department pressed for a lower threshold requiring on-site inspection. And Energy Department officials responsible for American nuclear tests resisted the recommendations because they were concerned about on-site inspection by Soviet officials.

One official also attributed the delay to "normal bureaucratic inertia."

The White House began to focus on the treaties, officials said, when Senator Percy signaled his frustration with the delays. He said last week that he would not schedule a vote on the nomination of Kenneth L. Adelman as head of the Arms Control and Disarmament Agency until the Administration indicated its intentions on the treaties.

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THE NEW YORK TIMES, SUNDAY, MARCH 29, 1981

U.S. STUDY DISCOUNTS SOVIET TERROR ROLE

A Draft C.I.A. Report Now Being Reviewed Finds Insufficient Evidence for Direct Help

By JUDITH MILLER

Special to The New York Times

WASHINGTON, March 28 - A draft report produced by the Central Intelligence Agency has concluded that there is insufficient evidence to substantiate Administration charges that the Soviet Union is directly helping to foment international terrorism, Congressional and Administration sources said today.

William J. Casey, Director of Central Intelligence, has asked his analysts, the sources said, to review their conclusions, given the substantial opposition to the report from other agencies.

The draft estimate, produced by the C.I.A.'s National Foreign Assessments Center, has stirred debate within Administration foreign policy circles, as foreign affairs spokesmen have publicly accused the Soviet Union of training, equipping, and financing international terrorist groups.

The review of the draft estimate has once again raised questions about the relationship between intelligence officials and policy makers, with some C.I.A. officials concerned that the agency is coming under pressure to tailor its analysis to fit the policy views of the Administration.

Charges in Last Administration

Similar charges were made during the Carter Administration and resulted in frequently bitter exchanges between policy makers and intelligence officials.

Bruce C. Clark, who heads the agency's assessments, or analysis unit, is retiring from the C.I.A. in April, in what officials said was a personal decision unrelated to the dispute over the intelligence estimate on terrorism.

One official said that a successor had not been named, but another indicated that Mr. Clark's successor would be the current director of the agency's operations unit, John McMahon.

The special national intelligence estimate on terrorism was begun soon after the Administration took office, officials said. Secretary of State Alexander M. Haig Jr. said on Jan. 28 in his first news conference that the Soviet Union, as part of a "conscious policy," undertook the "training, funding and equipping" of international terrorists.

The Administration has subsequently said that combatting international terrorism is one of its key foreign policy objectives.

'Ample Evidence' on Soviet Role

In addition, Richard V. Allen, President Reagan's national security adviser, said in an interview with ABC News this week that "ample evidence" had been accumulated to demonstrate the Soviet Union's involvement in international terrorism. Mr. Allen also said that the Soviet Union was "probably" supporting the Palestine Liberation Organization, which he said must be identified as a terrorist organization, through financial assistance and through support of its "main aims."

Finally, Mr. Allen concluded that Israeli air raids into southern Lebanon should be generally recognized as a "hot pursuit of a sort and therefore, justified."

Officials said that the draft estimate contained some factual evidence to support charges that the Soviet Union was directly aiding and abetting terrorist groups, but that in many instances the evidence of such involvement was either murky or nonexistent.

The estimate, which was circulated for comment to the State Department, National Security Council, Defense Intelligence Agency, and the National Security Agency, stirred angry debate and response.

Defining 'Terrorism' a Problem

Some officials described the dispute as "definitional," that is, that agency officials found it difficult to agree on a common working definition of what constitutes a terrorist group.

Officials from the Defense Intelligence Agency criticized the document because, they said, the facts it contained did not support what one official termed the agency's "weasel-worded" conclusion that evidence was contradictory on the extent to which the Soviet Union could be regarded as a conscious principle agent of terrorism.

Soon after the draft document was circulated and began generating comment, Mr. Casey asked to review the report. After reading the estimate, he asked that the estimate be reviewed.

"That's really the way the process is supposed to work," said one knowledgeable official. "The estimate is supposed to reflect the views of other agencies and it's not unusual that it would be restudied and rewritten after the agencies have commented."

Other Administration and Congressional officials, however, voiced concern that the agency was once again being asked to tailor its views to fit the public pronouncements of senior Administration officials.

"There would not have been a review if the estimate's conclusions had totally supported the Administration's charges," the official said.

U.S. Says Pakistan's Nuclear Potential Is Growing

By JUDITH MILLER
Special to The New York Times

WASHINGTON, Jan. 23 — An intelligence report has concluded that Pakistan will be able to detonate a nuclear device within the next three years, but is not likely to do so, according to Administration and Congressional officials.

This conclusion is contained in an analysis, known as "Special National Intelligence Estimate 31-81," prepared by the Central Intelligence Agency and completed last month.

Intelligence officials assert that Pakistan's reticence to conduct an atomic test stems partly from President Mohammad Zia ul-Haq's unwillingness to jeopardize the Reagan Administration's six-year, $3.2 billion military and economic aid program.

The study also contends that Pakistan is likely to continue developing and stockpiling fissile material that could be used in a nuclear device. Continued development of Pakistan's nuclear program, analysts argue, is likely to prompt increasing suspicion and hostility from India. As a result, according to the report, Pakistan could face a growing threat of a pre-emptive strike by India against its nuclear installations by the end of this year.

India and Pakistan will hold talks in New Delhi next Friday on a security pact. Foreign Minister Agha Shahi of Pakistan is expected to discuss proposals for a "nuclear-free zone" in Southwest Asia with his Indian counterpart, P. V. Narasimha Rao.

'Irregularities' Reported

The discussions are being closely followed by officials at the International Atomic Energy Agency, based in Vienna, which monitors nuclear plants. The agency has been pressing Pakistan unsuccessfully for several months to permit the installation of additional cameras and measuring devices to improve safeguards at Pakistan's 135-megawatt nuclear reactor, near Karachi.

The agency made its request after it detected "anomalies" and "irregularities" at the reactor, which is capable of producing plutonium for atomic weapons. There is no evidence that Pakistan has been diverting fuel from its civilian reactor for nonpeaceful purposes. But the agency expressed concern at a private meeting last September that the current monitoring arrangements were no longer adequate, given Pakistan's ability to produce its own nuclear fuel.

The India-Pakistan talks and the agency's effort to improve safeguards are of concern to the Reagan Administration, which persuaded Congress last month to approve $100 million in aid for Pakistan, a downpayment on the six-year program. In addition, the United States is selling Pakistan 40 F-16 fighter planes on an accelerated schedule. The Administration says Pakistan needs the planes to help withstand Soviet pressures from neighboring Afghanistan.

Pakistan had previously been barred from receiving American aid by a law that prohibits assistance to countries that pursue nuclear weapon programs. Congress suspended aid in 1979 on the basis of evidence that Pakistan had established a worldwide network of purchasing agents, including bogus companies and intelligence operatives, to obtain components for a uranium centrifuge enrichment plant that could be used to make fuel for weapons.

India Detonated Device in 1974

India detonated an atomic device in 1974, but maintained that its test was a "peaceful nuclear explosion," a distinction the United States does not accept.

The Reagan Administration has argued that Pakistan can only be dissuaded from conducting a nuclear test if it would jeopardize a strong security relationship with the United States. The new estimate tends to support this claim.

The estimate's conclusion is privately disputed by some foreign policy analysts, who doubt that Pakistan will be willing to forego a demonstrable nuclear weapons option, in light of the previous test by India.

The New York Times, June 21, 1982

Effort to Halt Spread of A-Arms Said to Falter

By JUDITH MILLER
Special to The New York Times

WASHINGTON, June 20 — United States officials and nuclear policy specialists fear that they may be losing a 35-year-old battle to curb the spread of nuclear weapons.

Critics of the Reagan Administration say the White House has placed insufficient emphasis on stopping nuclear proliferation. A policy put forth in a paper approved last month by President Reagan, they argue, will lead to increased distribution of plutonium, a material used in nuclear weapons, which will undermine efforts to slow the spread of atomic arms.

Administration officials deny that this will be the effect of the policy. But officials and private analysts agree that efforts to discourage the spread of nuclear arms have been severely complicated by growing international and regional tensions that put pressure on nations such as Israel and Argentina to develop and test atomic devices.

Robert H. Kupperman, a nuclear specialist at Georgetown University's Center for Strategic and International Studies, said with reference to the Israeli invasion of Lebanon and the British-Argentine fighting in the Falklands:

"We had better start thinking not just about how to stop nations from getting nuclear weapons, but how to stop them from using the weapons they will inevitably get."

"The emergence of some new nuclear powers is unavoidable," concluded Lewis A. Dunn in a book published soon after he joined the Administration as special assistant to Under Secretary of State Richard T. Kennedy, a central fig-

Continued on Page A4, Column 1

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Effort to Halt Spread of Atom Arms Said to Falter

Continued From Page A1

ure in nuclear policy matters.

Many nuclear specialists have increasingly begun to focus on "managing" a world in which many nations have nuclear weapons, rather than on preventing the spread of the weapons.

But the Reagan Administration remains officially committed to preventing the spread. In Senate testimony last month, Mr. Kennedy called this a "fundamental commitment."

Toward that goal, the Administration has emphasized measures to allay political and military security concerns of countries and to enhance regional stability.

U.N. Aide Backs U.S. Stand

This approach has been criticized by several Congressional nuclear policy specialists. But it has been warmly endorsed by, among others, Hans Blix, director general of the International Atomic Energy Agency, the United Nations organization in Vienna that promotes atomic energy and monitors nuclear facilities to verify that they are not being used for military purposes.

Mr. Blix has repeatedly voiced concern that India, Israel, Pakistan and South Africa refused to sign the 1970 treaty that became the cornerstone of efforts to halt the spread of nuclear weapons.

"The alarm bells are ringing loud and clear with respect to these four," Mr. Blix said early this year.

Under the treaty, 116 nations have forsworn nuclear weapons; 45 have not.

Causes for Nuclear Worry

Nuclear policy specialists say these other alarms are sounding, if somewhat more softly:

¶No country capable of developing atomic weapons has acceded to the treaty in the last five years. Switzerland was the most recent.

¶The International Atomic Energy Agency has become increasingly politicized and politicized, as have many other United Nations organizations. Some Government analysts fear that growing political confrontations between Western industrialized countries and developing nations could eventually undermine the agency's system of international safeguards, such as inspections.

¶Israel's attack on an Iraqi research reactor a year ago weakened the International Atomic Energy Agency's ability to safeguard nuclear facilities ostensibly designed for peaceful purposes. The air strike touched off a debate on whether the agency was capable of quickly detecting a diversion of nuclear material from a facility. The dispute has further shaken international confidence in the agency.

¶A sagging demand for energy has triggered a slump in sales of nuclear reactors and a decline in the growth of nuclear power. This, in turn, has increased strains on the international system of export controls aimed at slowing the spread of sensitive technology to countries that might be trying to develop nuclear weapons.

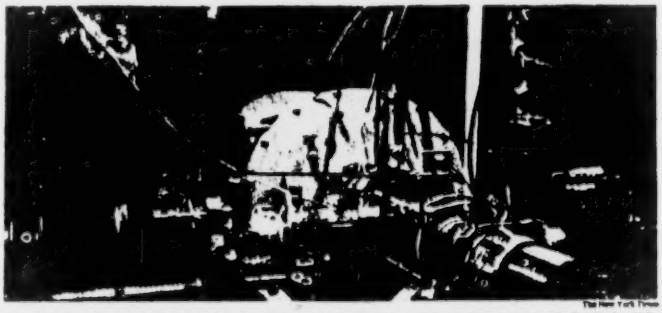
¶Growing sophistication of terrorist groups and a spread of "minirukes" has increased the threat of nuclear terrorism. Administration officials say. The Central Intelligence Agency has concluded, for example, that in Europe there is a "moderate likelihood" that there could be an attempt to damage a nuclear weapons storage facility, to attack a weapon in transit, to raid a nuclear power plant or to carry out blackmail by threatening to use a nuclear weapon or by pretending to have one.

¶Lack of progress on arms control agreements between the United States and the Soviet Union has led to a surge in nuclear weapons arsenals and destructive ability. This, in turn, encourages nonnuclear nations to develop a nuclear ability, Mr. Blix and other specialists contend.

U.S. Concerned by Argentina

The conflict over the Falkland Islands focused Administration concern on Argentina. While there have been no startlingly new developments in Argentina's nuclear program, now in its 31st year, some Administration officials fear that the conflict with Britain may prompt Argentina to build a nuclear bomb, especially since the Falkland surrender caused a loss of face for Buenos Aires.

The Central Intelligence Agency has estimated that Argentina could build an atomic bomb in three to five years if it chose to do so. A new report prepared by the Congressional Research Service concludes that Argentina would be able to test a nuclear explosive by the mid-1980's. "If it is willing to run the risks of getting caught at diverting safeguarded materials or of abrogating its safeguards agreements," the report also states that Argentina could not produce an arsenal of weapons until the 1990's at the earliest.



The New York Times

Dr. Abraham J. Kestelman, head of nuclear research for Argentina, at the atomic energy plant in Bariloche. U.S. intelligence estimates that Argentina could build an atomic bomb in three to five years.

Argentina poses a special problem not only because it has declined to sign the nonproliferation treaty or to submit all of its nuclear facilities to inspection, but also because it is building what is known as an "independent fuel cycle" — the ability to produce everything required for nuclear power. This would give Argentina the ability to make nuclear weapons quickly, without violating any safeguards agreements.

Bomb Helps Weak Feel Strong

"Nuclear tests are political statements, a country's way of showing that it has hair on its chest," said Warren H. Donnelly, a senior specialist at the Library of Congress and author of the report on Argentina. "So naturally there is concern about the growth of pressures that could lead a country like Argentina to prove that it is tough."

Mr. Donnelly and other specialists are also concerned about Argentina's proclaimed intention to export plutonium, which arms control officials assert would immeasurably complicate efforts to stop the spread of atomic weapons and would increase the threat of nuclear terrorism. The atomic weapons material is a man-made substance that is extremely toxic.

The Reagan Administration is also concerned about China's nuclear export policies. Intelligence reports indicate that China — a nuclear power that has not signed the treaty or joined the International Atomic Energy Agency — has attempted to sell through third parties heavy water to Argentina, and even to India despite the two countries' border conflicts.

Officials said that China's unwillingness to demand inspection of its nuclear exports is a major obstacle to concluding a nuclear cooperation agreement with the United States, which has been the subject of low-level diplomatic discussions between the two Governments.

Pakistan Resists Inspection

Another source of Administration concern is Pakistan, which has been resisting for more than six months the International Atomic Energy Agency's requests for improvements in inspection arrangements. The agency has said it can no longer assure that Pakistan is not diverting nuclear material for military purposes until it agrees to the changes.

The C.I.A. concluded recently that while Pakistan would be able to test an atomic device within three years, it was not likely to do so. Intelligence officials concluded in the estimate last December that the Reagan Administration's six-year, $3.2 billion military and economic aid program had made Pakistan reluctant to test an atomic device.

Several Administration officials consider Pakistan a key test of President Reagan's approach to stemming the spread of nuclear weapons. Other analysts, however, say the Administration's emphasis on thwarting the detonation of nuclear devices is misplaced.

Israeli Tests Called Unneeded

"Israel, which is only a screwdriver away from a bomb, is so sophisticated and has access to such good information that it doesn't need to test," asserted one Administration official.

India, which tested a device in 1974, has also aroused concern. The Administration has been trying to terminate a 1963 agreement to supply fuel for India's Tarapur nuclear power plant, while persuading the Indians to adhere to international inspection of the reactor and fuel already shipped.

But Robert F. Goheen, Ambassador to India until 1980, said recently that Indian and American diplomats had told him that India was preparing to transfer the spent, or used, fuel to a nearby plant for reprocessing, in apparent violation of its agreement.

South Africa a Problem

South Africa is also viewed as a major problem, but last month the Administration adopted a more flexible policy that would allow the United States to increase sales of nuclear materials to Pretoria.

Senator Charles H. Percy, Republican of Illinois and chairman of the Foreign Relations Committee, said last month that nuclear nonproliferation was "slipping among our foreign policy priorities" and that the world appeared on the verge of returning to "nuclear laissez-faire" by major suppliers.

Some members of Congress have strongly criticized the Administration for issuing a new policy paper that permits advanced countries to have more control over the reprocessing of American-supplied fuel.

They have also chided the Administration for considering the sale of centrifuge enrichment technology to Australia and for a vague offer to Mexico of assistance with research relating to reprocessing — the separation of uranium and plutonium from spent nuclear fuel.

The Carter Administration tried to discourage both those technologies, arguing that they produce materials that can easily be used in weapons, thereby complicating efforts to curb the spread of weapons.

By contrast, the Reagan Administration has said the United States would not inhibit reprocessing, enrichment or development of the breeder reactor, which produces more plutonium than it consumes, in countries with advanced nuclear programs that do not pose a weapons risk.

Last month Under Secretary Kennedy said this policy was more selective and a "realistic recognition" that Japan and other European countries believed that these activities were required for energy security. But he stressed that the Administration was not "encouraging" a spread of the sensitive technology.

These explanations have not persuaded the strongest Congressional skeptics. Three Democrats — Senator Gary Hart of Colorado, Representative Jonathan B. Bingham of the Bronx and Representative Richard L. Ottinger of Westchester — have introduced legislation to tighten several major loopholes in nuclear export laws.

Quiet Diplomacy Stressed

Mr. Kennedy predicted last month that the Administration's "quiet, diplomatic steps and measured technical approach" had the best chance of achieving nonproliferation objectives.

In some respects, the debate over nonproliferation reflects a longstanding disagreement about the role of atomic energy.

Some critics maintain that because all nuclear power plants are potential atom bomb factories, the only effective solution to the spread of such weapons is to phase out all nuclear development, both at home and for export.

Proponents of nuclear power respond that it is the only viable source of power for many countries and that proliferation can be controlled through diplomacy, international safeguards and tight export controls focused on a few nations.

THE N.Y. TIMES, SATURDAY, OCTOBER 2, 1982

U.S. Seeks Tighter Curbs on Equipment for Soviet

By JUDITH MILLER
Special to The New York Times

WASHINGTON, Oct. 1 — The Reagan Administration, in its broadest effort yet to slow the sale of technology to the Soviet Union, is seeking to toughen the system that the United States and its allies use to control the flow of equipment to Communist countries, according to Defense and Commerce Department officials.

The United States is expected to propose more than 100 changes, including many additions, in the list of controlled exports at a meeting in Paris next week of the Coordinating Committee for Exports to Communist Areas, known as Cocom. It will also press for a substantial increase in Cocom's budget and expansion of its enforcement abilities.

The committee, founded in the late 1940's, includes the United States, its allies in the North Atlantic Treaty Organization except Iceland, and Japan.

Officials said the American effort to update the list of controlled goods was intended to step up previous efforts to deprive the Soviet Union of products that could be bought for stated civilian uses but also had military applications. Such items in the current list include computers and electronic equipment with clear military applications.

"There is hardly a major modern Soviet weapons system in which American or European technology has not been used," an American official said.

On Thursday a panel of experts appointed by the National Academy of Sciences concluded that there had been "substantial and serious" leakage of American technology to the Soviet Union, a "significant portion" of which is "damaging to national security." In its report the panel said the "damaging transfers" had occurred through legal sales to the Soviet Union, through illegal sales of proscribed products, through third world countries and through a "highly organized espionage operation."

The proposed strengthening of Cocom also appears to be indirectly related to the sanctions directed against suppliers for the new natural gas pipeline being built from Siberia to Western Europe.

Officials said the tightened export controls were needed for strategic rather than political reasons and had no direct bearing on the United States' pipeline sanctions. But a Defense Department official said, "We would be more relaxed about the pipeline if we had a strict system of export controls in place."

The proposals are expected to meet resistance from the Western allies. They view such restraints as a form of economic warfare, of which they disapprove as a matter of principle.

U.S. Screening 'More Rigorous'

Commerce Department officials deny that this is their intent. They say that the present system is not only inadequate but also discriminates against American companies, whose exports are more scrupulously screened than Western European or Japanese exports.

The United States is expected to press, for example, for greater restrictions on semiconductors, the microelectronic devices used in everything from pocket calculators to computers and advanced military systems. A Defense Department official said the Soviet Union had about six production lines for integrated circuits, all of which use Western technology that was sometimes illicitly obtained.

A West German intelligence report published Tuesday said the Soviet-bloc countries had intensified efforts to breach Western embargoes on the sale of advanced technology with a military potential. The report, by the Office for the Protection of the Constitution, Bonn's domestic intelligence agency, says Soviet success in evading the embargoes resulted in vast savings on research and development.

Broad Application in Military

This conclusion is echoed by American officials, who say that about 70 percent of the technology bought in the West is used by the Soviet military.

The United States is also expected to press for acceptance of a proposal by James L. Buckley, the State Department counselor, who suggested several changes in the monitoring plan.

These changes would include a ban on the sale of floating dry docks for ship repair and construction. Intelligence reports show that the Soviet Union recently used a dry dock purchased from Japan ostensibly for peaceful purposes to build an aircraft carrier, officials said.

Defense Department officials said the United States was also asking that robotics technology and silicon, the basic building block material for semiconductors, be added to the control list.

MARCOS, HOME FROM U.S. TRIP, IS PROTEST TARGET: Demonstrators carrying effigies of President Reagan and President Ferdinand E. Marcos during a protest yesterday in Manila. The demonstration was in sharp contrast to his arrival Thursday, when thousands bade him welcome.

EXHIBIT IV

DIRECTOR OF CENTRAL INTELLIGENCE DIRECTIVE 1/14[1]

MINIMUM PERSONNEL SECURITY STANDARDS AND PROCEDURES GOVERNING ELIGIBILITY FOR ACCESS TO SENSITIVE COMPARTMENTED INFORMATION

(Effective 27 November 1984)

Pursuant to the provisions of Section 102 of the National Security Act of 1947, and Executive Order 12333, the following minimum personnel security standards, procedures, and continuing security programs are hereby established for all United States Government civilian and military personnel, consultants, contractors, employees of contractors, and other individuals who require access to Sensitive Compartmented Information (hereinafter referred to as SCI). The standards, procedures, and programs established herein are minimum, and the departments and agencies may establish such additional security steps as may be deemed necessary and appropriate to ensure that effective security is maintained.

1. Definitions

a. *Intelligence Community*—those United States Government organizations and activities identified in Executive Order 12333 or successor orders as making up such Community.

b. *Sensitive Compartmented Information* (SCI)—all information and materials requiring special Community controls indicating restricted handling within present and future Community intelligence collection programs and their end products. These special Community controls are formal systems of restricted access established to protect the sensitive aspects of sources and methods and analytical procedures of foreign intelligence programs. The term does not include Restricted Data as defined in Section II, Public Law 585, Atomic Energy Act of 1954, as amended.

c. *Senior Officials of the Intelligence Community* (SOICs)—for the purposes of this directive, SOICs are defined as the heads of organizations within the Intelligence Community, as defined by Executive Order 12333, or their designated representatives.

2. Purpose

The purpose of this directive is to enhance the security protection of SCI through the application of minimum security standards, procedures, and continuing security programs, and to facilitate the security certification process among Government departments and agencies.

3. Applicability

The provisions of this directive shall apply to all persons (other than elected officials of the United States Government, federal judges, and those individuals for whom the DCI makes a specific exception) without regard to civilian or military status, form of employment, official rank or position, or length of service.

4. General

a. Individuals who do not meet the minimum security criteria contained herein and who are, therefore, denied access to SCI shall not, solely for this reason, be considered

[1] This directive supersedes DCID 1/14, effective 1 September 1983.

ineligible for access to other classified information. Individuals whose access to SCI has been authorized as an exception granted in accordance with paragraph 6 below, shall not, solely for that reason, be considered eligible for access to other classified information.

b. The granting of access to SCI shall be controlled under the strictest application of the "need-to-know" principle, and in accordance with the personnel security standards and procedures set forth in this directive. In accordance with National Security Decision Directive Number 84 and the DCI Security Policy Manual for SCI Control Systems, signature of a DCI-authorized Nondisclosure Agreement which includes a provision for prepublication review is a condition of access to SCI.

5. Personnel Security Standards

Criteria for security approval of an individual on a need-to-know basis for access to SCI are:

a. The individual shall be stable; trustworthy; reliable; of excellent character, judgment, and discretion; and of unquestioned loyalty to the United States.

b. Except where there is a compelling need, and a determination has been made by competent authority as described in paragraph 6 below that every reasonable assurance has been obtained that under the circumstances the security risk is negligible:

(1) Both the individual and the members of his or her immediate family shall be U.S. citizens. For these purposes, "immediate family" includes the individual's spouse, parents, brothers, sisters, and children.[1]

(2) The members of the individual's immediate family and persons to whom he or she is bound by affection or obligation[2] should neither be subject to physical, mental, or other forms of duress by a foreign power, nor advocate the use of force or violence to overthrow the Government of the United States or the alteration of the form of Government of the United States by unconstitutional means.

6. Exceptions to Personnel Security Standards

The exceptions to paragraph 5.b.(1) or (2) above may be granted only by the SOIC of the appropriate organization or his designee unless such authority has been specifically delegated to the head of an office or organization as set forth in interdepartmental agreements. All exceptions granted will be common sense determinations based on all available information, and shall be recorded by the organization making the exception. In those cases in which the individual has lived outside of the United States for a substantial period of his or her life, a thorough assessment of the adequacy of the investigation in terms of fulfillment of the minimum investigative requirements, and judicious review of the information therein, must be made before an exception is considered.

7. Investigative Requirements

a. The investigation conducted on an individual under consideration for access to SCI will be thorough and shall be designed to develop information as to whether the individual clearly meets the above Personnel Security Standards.

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[1] The requirement for U.S. citizenship in this DCID also applies to a cohabitant.

[2] Including a cohabitant.

b. The investigation shall be accomplished through record checks and personal interviews of various sources by trained investigative personnel in order to establish affirmatively to the adjudicating agency complete continuity of identity to include birth, residences, education, employment, and military service. Where the circumstances of a case indicate, the investigation shall exceed the basic requirements set out below to ensure that those responsible for adjudicating access eligibility have in their possession all the relevant facts available.

c. The individual shall furnish a signed personal history statement, fingerprints of a quality acceptable to the Federal Bureau of Investigation and a signed release, as necessary, authorizing custodians of police, credit, education, and medical records, to provide record information to the investigative agency. Photographs of the individual shall also be obtained where additional corroboration of identity is required.

8. ***Minimum standards for the investigation are as follows:***

a. Verification of date and place of birth and citizenship.

b. Check of the subversive and criminal files of the Federal Bureau of Investigation, including submission of fingerprint charts, and such other national agencies as are appropriate to the individual's background. An additional check of Immigration and Naturalization Service records shall be conducted on those members of the individual's immediate family who are United States citizens other than by birth or who are resident aliens.

c. A check of appropriate police records covering all areas of the individual's residence, employment, and education in the U.S. throughout the most recent fifteen (15) years or since age eighteen, whichever is the shorter period.

d. Verification of the individual's financial status and credit habits through checks of appropriate credit institutions or, if such checks are not productive, through interviews with knowledgeable sources covering all areas of employment, residence, and education in the most recent seven (7) years.

e. Interviews with neighbors in the vicinity of all the individual's residences in excess of six (6) months throughout the most recent five (5) year period. This coverage shall be expanded where the investigation suggests the existence of some questionable behavioral pattern.

f. Confirmation of all employment during the past fifteen (15) years or since age eighteen, whichever is the shorter period, but in any event the most recent two (2) years. Personal interviews with supervisors and coworkers at places of employment covering the past ten (10) years shall be accomplished.

g. Verification of graduation or attendance at all institutions of higher learning within the past fifteen (15) years. If the individual did not attend an institution of higher learning, verification of graduation or attendance at last secondary school within the past ten (10) years.

h. Review of appropriate military records.

i. Interviews with a sufficient number of knowledgeable sources (a minimum of three developed during the course of the investigation) as necessary to provide a continuity, to the extent practicable, of the individual's activities and behavioral patterns over the past fifteen (15) years.

j. When employment, education, or residence has occurred in foreign countries (except for periods of less than one year for personnel on U.S. Government assignment and less

than ninety days for other purposes) during the past fifteen (15) years or since age eighteen, a check of the records will be made at the Department of State and/or other appropriate agencies. Efforts shall be made to develop sources, generally in the United States, who knew the individual overseas in order to cover significant employment, education or residence and to attempt to determine if any lasting foreign contacts or connections were established during this period. However, in all cases where an individual has worked or lived outside of the U.S. continuously for over one year, the investigation will be expanded to cover fully this period in his or her life through the use of such investigative assets and checks of record sources as may be available to the U.S. Government in the foreign country(ies) in which the individual resided.

k. When the individual has immediate family members or other persons to whom the individual is bound by affection or obligation in any of the situations described in subparagraph 5.b.(2) above, the investigation will include an interview of the individual by trained security, investigative, or counterintelligence personnel to ascertain the facts as they may relate to the individual's access eligibility.

l. In all cases, the individual's spouse or cohabitant shall at a minimum be checked through the subversive and criminal files of the Federal Bureau of Investigation and other national agencies as appropriate. When conditions indicate, additional investigation shall be conducted on the spouse of the individual and members of the immediate family (or other persons to whom the individual is bound by affection or obligation) to the extent necessary to permit a determination by the adjudicating agency that the provisions of paragraph 5 (Personnel Security Standards) above are met (see Annex A).

m. A personal interview of the individual may be conducted by trained security, investigative, or counterintelligence personnel to ensure full investigative coverage. A personal interview will be conducted when necessary to resolve any significant adverse information and/or inconsistencies developed during the investigation. In departments or agencies with policies sanctioning the use of the polygraph for personnel security purposes, the personal interview may include a polygraph examination, conducted by a qualified polygraph examiner.

9. ***Exceptions to Investigative Requirements***

a. In exceptional cases, the SOIC or his designee may determine that it is necessary or advisable in the national interest to authorize access to SCI prior to completion of the fully prescribed investigation noted in paragraph 8 above. In this situation, such investigative checks as are immediately possible shall be made at once and shall include a personal interview of the individual by trained security, investigative, or counterintelligence personnel. Access in such cases shall be strictly controlled, and the fully prescribed investigation and final evaluation shall be completed at the earliest practicable moment. Certification to other organizations of individuals authorized access in such cases shall include explicit notification of the exception.

b. Where a previous investigation has been conducted within the past five (5) years which substantially meets the above minimum standards, it may serve as a basis for granting access approval provided a review of the personnel and security files does not reveal substantive changes in the individual's security eligibility. If a previous investigation does not substantially meet the minimum standards or if it is more than five (5) years old, a current investigation shall be required but may be limited to that necessary to bring the individual's file up to date in accordance with the investigative requirements set forth in paragraph 8 above. Should new information be developed during the current investigation which bears unfavorably upon the individual's activities covered by the previous investigation, the current inquiries shall be expanded as necessary to develop full details of this information.

10. Periodic Reinvestigations

a. Programs shall be instituted requiring the periodic reinvestigation of personnel provided access to SCI. These reinvestigations shall be conducted on a five (5) year recurrent basis, but on a more frequent basis where the individual has shown some questionable behavioral pattern, his or her activities are otherwise suspect, or when deemed necessary by the SOIC concerned.

b. The scope of reinvestigations shall be determined by the SOIC concerned based on such considerations as the potential damage that might result from the individual's defection or willful compromise of SCI and the availability and probable effectiveness of other means to evaluate continually factors related to the individual's suitability for continued access. The individual shall furnish an up-to-date, signed personal history statement and signed releases as necessary. In all cases, the reinvestigation shall include, as a minimum, appropriate national agency checks, local agency checks, overseas checks where appropriate, credit checks, and a personal interview with the individual by trained investigative, security, or counterintelligence personnel when necessary to resolve significant adverse information and/or inconsistencies. When conditions so indicate, additional investigation may be conducted as determined by the SOIC or his designee.

11. Determination of Access Eligibility

The evaluation of the information developed by investigation on an individual's loyalty and suitability shall be accomplished under the cognizance of the SOIC concerned by analysts of broad knowledge, good judgment, and wide experience in personnel security and/or counterintelligence. When all other information developed on an individual is favorable, a minor investigative requirement which has not been met should not preclude favorable adjudication. In all evaluations the protection of the national interest is paramount. Any doubt concerning personnel having access to SCI should be resolved in favor of the national security and the access should be denied or revoked. The ultimate determination of whether the granting of access is clearly consistent with the interest of national security shall be an overall common sense determination based on all available information.

12. Appeals Procedures

Annex B prescribes common appeals procedures to be followed when an individual's SCI access has been denied or revoked.

13. Continuing Security Programs

a. In order to facilitate attainment of the highest standard of personnel security and to augment both the access approval criteria and the investigative requirements established by this directive, member departments and agencies shall institute continuing security programs for all individuals having access to SCI. In addition to security indoctrinations (see Annex C, "Minimum Standards for SCI Security Awareness Programs in the U.S. Intelligence Community"), these programs shall be tailored to create mutually supporting procedures under which no issue will escape notice or be left unresolved which brings into question an individual's loyalty and integrity or suggests the possibility of his or her being subject to undue influence or duress through foreign relationships or exploitable personal conduct. When an individual is assigned to perform sensitive compartmented work requiring access to SCI, the SOIC for the department, agency, or Government program to which the individual is assigned shall assume security supervision of that individual throughout the period of his or her assignment.

b. The continuing security programs shall include:

(1) Individuals are required to inform the department or agency which granted their SCI access about any personal problem or situation which may have a possible bearing on their eligibility for continued access to SCI and to seek appropriate guidance and assistance. Security counseling should be made available. This counseling should be conducted by individuals having extensive background and experience regarding the nature and special vulnerabilities of the particular type of compartmented information involved.

(2) SCI security education programs of the member departments and agencies shall be established and maintained pursuant to the requirements of Annex C.

(3) Security supervisory programs shall be established and maintained to ensure that supervisory personnel recognize and discharge their special responsibility to safeguard SCI, including the need to assess continued eligibility for SCI access. These programs shall provide practical guidance on indicators which may signal matters of security concern. Specific instructions concerning reporting procedures shall be disseminated to enable the appropriate authority to take timely corrective action to safeguard the security of the United States as well as to provide all necessary help to the individual concerned to neutralize his or her vulnerability.

(4) Security review programs to ensure that appropriate security authorities always receive and exchange, in a timely manner, all information bearing on the security posture of persons having access to SCI. Personal history information shall be kept current. Security and related files shall be kept under continuing review.

Whenever adverse or derogatory information is discovered or inconsistencies arise which could impact upon an individual's security status, appropriate investigation shall be conducted on a timely basis. The investigation shall be of sufficient scope necessary to resolve the specific adverse or derogatory information or inconsistency in question so that a determination can be made as to whether the individual's continued utilization in activities requiring SCI is clearly consistent with the interest of the national security.

14. Security Violations

Individuals determined to have disclosed classified information to any person not officially authorized to receive it may be considered ineligible for initial or continued SCI access. Determination will be based on an evaluation of all available information, including whether the disclosure was knowing, willful, negligent, or inadvertent. A determination of ineligibility for individuals who currently hold SCI access shall result in immediate debriefing and termination of access for cause.

15. Implementation

Existing directives, regulations, agreements, and other guidance governing access to SCI as defined herein shall be revised accordingly.

ANNEX A

ADJUDICATION GUIDELINES

PURPOSE

This annex is designed to ensure that a common approach is followed by Intelligence Community departments and agencies in applying the standards of DCID 1/14. These guidelines apply to the adjudication of cases involving persons being considered for first-time access to Sensitive Compartmented Information (SCI) as well as those cases of persons being readjudicated for continued SCI access.

ADJUDICATIVE PROCESS

The adjudicative process entails the examination of a sufficient period of a person's life to make a determination that the person is not now or is not likely to become an unacceptable security risk later. SCI access adjudication is the careful weighing of a number of variables known as the "whole person" concept. The recency of occurrence of any adverse incident, together with circumstances pertaining thereto, is central to a fair and uniform evaluation. Key factors to be considered in adjudication are the maturity and responsibility of the person at the time certain acts or violations were committed as well as any repetition or continuation of such conduct. Each case must be judged on its own merits and final determination remains the responsibility of the individual SOIC. Any doubt concerning personnel having access to SCI shall be resolved in favor of the national security.

The ultimate determination of whether the granting of SCI access is clearly consistent with the interests of national security shall be an overall common sense determination based on all available information. In arriving at a decision consistent with the foregoing, the adjudicator must give careful scrutiny to the following matters:

a. Loyalty

b. Close relatives and associates

c. Sexual considerations

d. Cohabitation

e. Undesirable character traits

f. Financial irresponsibility

g. Alcohol abuse

h. Illegal drugs and drug abuse

i. Emotional and mental disorders

j. Record of law violations

k. Security violations

Adjudicative actions concerning the foregoing items are examined in greater detail below.

LOYALTY

DCID 1/14 establishes the categorical requirement that, to be eligible for SCI access, an individual must be of unquestioned loyalty to the United States.

CLOSE RELATIVES AND ASSOCIATES

DCID 1/14 requires close examination by the SCI adjudicator when members of an individual's immediate family and persons to whom he/she is bound by affection or obligation are not citizens of the United States, or their loyalty or affection is to a foreign power, or they are subject to any form of duress by a foreign power, or they advocate the violent overthrow or unconstitutional alteration of the Government of the United States.

Sharing living quarters with a person or persons, regardless of their citizenship status, may be indicative of a close relationship, whether or not it is considered intimate. The potential for adverse influence or for duress should be considered in any close or long-term relationship between the subject and another individual.

The adjudicator must assess carefully the degree of actual and potential influence that such persons may exercise on the individual based on an examination of the frequency and nature of personal contact and correspondence with and the political sophistication and general maturity of the individual.

A recommendation for access disapproval is appropriate if there is an indication that such relatives or associates are connected with any foreign intelligence service.

When there is a "compelling need" for SCI access for an individual whose family member is a non-U.S. citizen and the background investigation indicates that the security risk is negligible, an exception to paragraph 5b(1) or (2) of DCID 1/14 may be recommended.

In some circumstances, marriage of an individual holding SCI access approval could present an unacceptable security risk. Such individuals are required to file intent-to-marry statements. It is the responsibility of the SOIC to advise the individuals of the possible security consequences. If the individual marries a non-U.S. citizen, SCI access will be suspended until the case is readjudicated unless an appropriate investigation of the spouse, as required by Paragraph 8l of DCID 1/14, was conducted with favorable results. In readjudicating such cases, the same judgments and criteria as are reflected in this section apply.

SEXUAL CONSIDERATIONS

DCID 1/14 requires that, to be eligible for SCI access, individuals must be stable, of excellent character and discretion, and not subject to undue influence or duress through exploitable personal conduct.

Sexual promiscuity and extramarital relations are of legitimate concern to the SCI adjudicator where such conduct reflects a lack of judgment and discretion or when the conduct offers the potential for undue influence, duress or exploitation by a foreign intelligence service.

Deviant sexual behavior can be a relevant consideration in circumstances in which it indicates flawed judgment or a personality disorder, or could result in exposing the individual to direct or indirect pressure because of susceptibility to blackmail or coercion as a result of the deviant sexual behavior. Such behavior includes: bestiality, fetishism, exhibitionism, necrophilia, nymphomania or satyriasis, masochism, sadism, pedophilia, transvestism, and voyeurism. Homosexual conduct is also to be considered as a factor in determining an individual's judgment, discretion, stability and susceptibility to undue influence or duress.

In examining cases involving sexual conduct of security significance, such as those described above, it is relevant to consider the age of the person, the voluntariness, and the frequency of such activities, the public nature and the recency of the conduct, as well as any other circumstances which may serve to aggravate the nature or character of the conduct. A recommendation for disapproval is appropriate when, in view of all available evidence concerning the individual's history of sexual behavior, it appears that access to SCI could pose a risk to the national security.

COHABITATION

The identity of a cohabitant and the extent and nature of actual or potential influence upon the subject should be ascertained. Based upon the criteria in the section on Close Relatives

and Associates, a determination must be made whether such an association constitutes an unacceptable security risk.

Cohabitation, per se, does not preclude SCI access approval. Other factors could affect the access determination. Cohabitation with an alien, for example, requires the same scrutiny as marriage to an alien.

UNDESIRABLE CHARACTER TRAITS

It is emphasized that an individual's lifestyle is examined only in an effort to determine whether a pattern of behavior exists which indicates that granting SCI access could pose a risk to national security. In cases where allegations have been reported which reflect unfavorably on the reputation of an individual, it is incumbent upon the SCI adjudicator to distinguish fact from opinion and to determine which negative characteristics are real and pertinent to an evaluation of the individual's character and which are unsubstantiated or irrelevant. Relevant negative characteristics are those which, in the adjudicator's informed opinion, indicate that an individual is not willing, able, or likely to protect SCI information. The adjudicator's personal likes or dislikes must not be permitted to affect the determination.

Examples of specific concern in determining whether an individual has undesirable character traits are any substantive, credible, derogatory comments by associates, employers, neighbors, and other acquaintances; any litigation instituted against the individual by such persons as a result of the individual's actions; or allegations of violations of law. A recommendation for disapproval would be appropriate for an individual who cannot be relied upon to obey rules and regulations.

In examining the circumstances of cases involving incidents of untruthfulness, the adjudicator must weigh all factors with particular emphasis on establishing the intent of the individual. Where an individual has tried to obscure pertinent or significant facts by falsifying data, i.e., on the Personal History Statement by either omission or false entry, such action should be weighed heavily against recommending access. Failure to disclose derogatory personal information, such as a court martial or serious crime, would appear to be intentional and, consequently, would warrant a recommendation for disapproval.

FINANCIAL IRRESPONSIBILITY

Financial irresponsibility represents a serious concern to the SCI adjudicator. Persons who have engaged in espionage for monetary gain demonstrate the hazard of granting SCI access to an individual with overly expensive tastes and habits or living under the pressure of serious debt.

A recommendation for disapproval is appropriate when there is a pattern of financial irresponsibility and it appears that an individual has not made a conscientious effort to satisfy creditors. In such cases, the adjudicator should determine whether the individual had been notified about the debts and whether they were legally valid or ultimately satisfied.

When the financial irresponsibility alone is not of such magnitude to warrant disapproval, it may contribute to recommendation for denial of SCI access when there is other evidence of irresponsibility.

ALCOHOL ABUSE

The SCI adjudicator should examine any information developed relative to an individual's use of alcoholic beverages to determine the extent to which such use would adversely affect the ability of the individual to exercise the care, judgment, and discretion necessary to protect SCI information. The adjudicator should determine whether a pattern of impropriety exists, although one incident caused by alcohol abuse may be of such magnitude to warrant a recommendation for disapproval.

In determining the security impact of a person's pattern of alcohol use, the adjudicator should consider the circumstances, amount and rate of consumption, the time and place of consumption, and the physiological and behavioral effect such drinking has on the individual. For example, does the individual's drinking result in absences from work or careless work habits? Does

the individual become talkative, abusive, or manifest other undesirable characteristics? Does the individual drink until intoxicated? Has the individual been arrested for any acts resulting from the influence of alcohol?

In the absence of conclusive evidence, additional insight may be available from appropriate medical authorities. If the individual acknowledges having an alcohol abuse problem and is seeking help, it may be appropriate to defer access determination and monitor the individual's progress for a year or so.

If, after considering the nature and sources of the information, the adjudicator determines that an individual's drinking is not serious enough to warrant a recommendation for disapproval of SCI access, it may be appropriate to recommend approval with a warning at the time of indoctrination that future incidents of alcohol abuse may result in SCI denial. The adjudicator may also recommend a reinvestigation of the individual's use of alcohol after an appropriate period of time has passed.

ILLEGAL DRUGS AND DRUG ABUSE

The SCI adjudicator should examine all allegations of an individual's use, transport, transfer, sale, cultivation, processing and manufacturing of hallucinogens, narcotics, drugs and other materials and chemical compounds identified and listed in the Controlled Substance Act of 1970, as amended. Consequently, an individual's involvement in any of these activities is of direct concern to the SCI adjudicator in order to determine the individual's capability to exercise the care, discretion, and judgment required to protect SCI information. The use of these substances may lead to varying degrees of physical or psychological dependence as well as having a deleterious effect on an individual's mental state and ability to function.

Persons involved in drug trafficking, i.e., the commercial cultivation, processing, manufacturing, purchase, or sale of such substances should normally be recommended for disapproval.

In cases involving the use of drugs, the adjudicator must consider the nature of the substance used and whether the use is experimental or habitual. The frequency, recency, and circumstances surrounding said use are key elements. For example, has the individual used "hard" drugs or hallucinogens such as heroin, cocaine, or LSD? Has the individual used drugs regularly or only on occasion? Does the individual currently use drugs? Does the individual regularly purchase drugs or participate merely when offered drugs by others? Has the individual's behavior been affected by the use of drugs and, if so, to what extent?

Once the judgment is made that an individual is a habitual user of any controlled substance (multiple use beyond the point of mere experimentation), a recommendation for disapproval is appropriate. Moreover, even experimental use of hard drugs or hallucinogens, such as LSD, could warrant a recommendation for disapproval.

EMOTIONAL AND MENTAL DISORDERS

DCID 1/14 requires that persons considered for access to SCI be stable, trustworthy, reliable, and of excellent character, judgment and discretion. Emotional and mental disorders which interfere with an individual's perception of reality or reliability are of serious concern to the SCI adjudicator in determining whether an individual is able or willing to protect SCI information.

It is essential to obtain as much information as possible when an allegation has been made in this area. If feasible, the individual should be interviewed to obtain additional detail. When appropriate, government psychological and psychiatric personnel should be consulted so that psychiatric or psychological data may be properly evaluated.

If a current emotional instability appears to be a temporary condition (for example, caused by a death, illness, or marital breakup), it may be advisable to recommend postponing final action and rechecking the situation at a later date. This precludes a security disapproval for what may be a temporary condition which, when cured, would have no security implications.

Military and civilian personnel who decline to take medical/psychiatric tests when so directed by competent authority should not be recommended for SCI access.

RECORD OF LAW VIOLATIONS

In determining whether an individual is stable, trustworthy, and of excellent character, judgment, and discretion as required by DCID 1/14 for access to SCI, the adjudicator must weigh carefully any record of law violations by the individual. Although a pattern of repeated minor traffic violations could be significant, the adjudicator is principally concerned with more serious criminal violations or court actions reflecting adversely upon the individual's reliability or trustworthiness.

Each case involving convictions for criminal offenses must be considered from the standpoint of the nature and seriousness of the offense, the circumstances under which it occurred, how long ago it occurred, whether it was an isolated offense or a repeated violation of the law, the offender's age at the time, social conditions which may have a bearing on the individual's actions, and any evidence of rehabilitation.

Any conviction for a felony will normally support a recommendation for disapproval. If the offense was committed many years prior, the individual has shown evidence of rehabilitation, and the investigation shows no other derogatory information, an approval may be considered. A large number of minor offenses, however, could indicate irresponsibility and may support an adverse recommendation.

SECURITY VIOLATIONS

Most security violations are caused by carelessness or ignorance with no intention of compromising security. However, the record of an individual responsible for multiple violations should be scrutinized. The individual's current attitude toward security should be confirmed with his/her supervisor. A pattern of violations may be sufficient ground for a recommendation for disapproval. Individuals responsible for unauthorized disclosure of classified information may be denied initial or continued SCI access.

EXHIBIT V

CLAIBORNE PELL, RHODE ISLAND, CHAIRMAN
JOSEPH R. BIDEN, JR., DELAWARE
PAUL S. SARBANES, MARYLAND
ALAN CRANSTON, CALIFORNIA
CHRISTOPHER J. DODD, CONNECTICUT
JOHN F. KERRY, MASSACHUSETTS
PAUL SIMON, ILLINOIS
TERRY SANFORD, NORTH CAROLINA
DANIEL P. MOYNIHAN, NEW YORK
CHARLES S. ROBB, VIRGINIA
JESSE HELMS, NORTH CAROLINA
RICHARD G. LUGAR, INDIANA
NANCY L. KASSEBAUM, KANSAS
RUDY BOSCHWITZ, MINNESOTA
LARRY PRESSLER, SOUTH DAKOTA
FRANK H. MURKOWSKI, ALASKA
MITCH McCONNELL, KENTUCKY
GORDON J. HUMPHREY, NEW HAMPSHIRE
CONNIE MACK, FLORIDA
GERYLD B. CHRISTIANSON, STAFF DIRECTOR
JAMES P. LUCIER, MINORITY STAFF DIRECTOR

United States Senate
COMMITTEE ON FOREIGN RELATIONS
WASHINGTON, DC 20510-6225

May 31, 1989

The Honorable William Webster
Director of Central Intelligence
Central Intelligence Agency
Washington, D.C.

Dear Mr. Director:

As you know, your responsibilities under the law as Director of Central Intelligence include the protection of U.S. Intelligence sources and methods.

I urgently request access to the original, complete classified assessments of the damage done to U.S. Intelligence sources and methods by the following four unauthorized public disclosures of U.S. Intelligence data:

1. The June 29, 1979 article in The New York Times, entitled "U.S. Plans New Way to Check Soviet Missile Test."

2. The various press articles revealing U.S. Intelligence data on a June, 1982 Soviet Strategic Missile Firing Exercise.

3. The various press articles about communications intelligence on the Soviet shoot-down of Korean Airlines Flight-007 in September and October, 1983.

4. The various April and March, 1986 press articles revealing that U.S. Intelligence had intercepted communications linking Libya to the terrorist bombing of a nightclub in West Berlin killing an American soldier.

I am informed that these four unauthorized disclosures of highly classified information about communications intelligence intercepts and sources and methods are among the most serious security breaches in the history of U.S. Intelligence. Indeed, in a November 19, 1979 article in The New Yorker, Senator Moynihan implied that item number one was one of the four most serious breaches of U.S. Intelligence security in history.

I thank you in advance for your prompt response to this request.

Sincerely,

Jesse

JESSE HELMS:ds

Many thanks!

CLAIBORNE PELL, RHODE ISLAND, CHAIRMAN

JOSEPH R. BIDEN, JR., DELAWARE
PAUL S. SARBANES, MARYLAND
ALAN CRANSTON, CALIFORNIA
CHRISTOPHER J. DODD, CONNECTICUT
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GERYLD B. CHRISTIANSON, STAFF DIRECTOR
JAMES P. LUCIER, MINORITY STAFF DIRECTOR

United States Senate
COMMITTEE ON FOREIGN RELATIONS
WASHINGTON, DC 20510-6225

May 31, 1989

Rear Admiral William O. Studeman, USN
Director
National Security Agency
Fort Meade, Maryland.

Dear Mr. Director:

As you know, you have special responsibilities for the protection of U.S. intelligence sources and methods regarding communications intelligence.

I urgently request access to the original, complete classified assessments of the damage done to U.S. Intelligence sources and methods by the following four unauthorized public disclosures of U.S. intelligence data, including any conclusions or correspondence about responsible persons:

1. The June 29, 1979 article in The New York Times, entitled "U.S. Plans New Way to Check Soviet Missile Test."

2. The various press articles revealing U.S. Intelligence data on a June, 1982 Soviet Strategic Missile Firing Exercise.

3. The various press articles about communications intelligence on the Soviet shoot-down of Korean Airlines Flight-007 in September and October, 1983.

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Intelligence. Indeed, in a November 19, 1979, article in The New Yorker, Senator Moynihan implied that item number one was one of the four most serious breaches of U.S. Intelligence security in history.

I thank you in advance for your prompt response to this request.

Sincerely,

Jesse Helms

JESSE HELMS:ds

EXHIBIT VI

United States Department of State

Washington, D.C. 20520

May 8, 1989

The Honorable
Claiborne Pell
Chairman,
Committee on Foreign Relations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

During a hearing before the Committee on Friday morning, May 5, Ambassador Richard Burt was asked whether he had ever been cited for security violations in any previous governmental posts, including a possible violation involving a briefcase. A copy of the relevant portion of the draft transcript is enclosed.

Ambassador Burt has since had an opportunity to check the records of the Department of State and would like to clarify the record of the Hearing with the enclosed statement.

We would appreciate it if you could ensure that the enclosed clarification is noted in the record of the Hearing.

Sincerely,

Janet G. Mullins
Assistant Secretary for
Legislative Affairs

documents.

Fourthly, a rotation system of inspecting the entire delegation area in the mission at the end of each business day will be implemented to insure that the area is secure every evening.

The security duty officer will inspect and certify in writing that that entire area is secure.

Fifthly, I, personally, will insure that all violations of security are addressed with tough disciplinary action, including, if necessary, dismissal of repeat offenders from the delegation.

Senator, let me conclude by assuring you, once more, that security will be a high priority item for me in Geneva and that I will insure that all delegation members understand and share my concern in this area.

Senator Helms: That's a very good statement. I just wish that it had been in effect on some previous occasions.

Now, you said you had not leaked any information. Maybe we will continue that discussion in a minute.

But I wonder if you ever have been cited for security violations in any of your previous governmental posts?

Ambassador Burt: I think I got a pink slip in Bonn for leaving some limited official use paper on a desk. I can't recall any other security violations.

Senator Helms: There wasn't anything involving a

briefcase?

Ambassador Burt: Not that I'm aware of.

Senator Helms: These guidelines, they have already been prepared, right, that you've just discussed?

Ambassador Burt: These guidelines?

Senator Helms: Yes, sir.

Ambassador Burt: Yes.

Senator Helms: And you've read them all?

Ambassador Burt: Some of this work has already been done. On the others, I said I plan to take these additional measures, and we are working on these measures now.

Senator Helms: Let me, in rapid-fire order -- Senator Cranston, did you have any questions?

Senator Cranston: No.

Senator Helms: Okay. Mainly, I am making a record here.

We'll go back to The New York Times, which is such a fine newspaper.

On November 28, 1982, The New York Times published an article entitled "U.S. Decision Near on Nuclear Test." This article criticized a secret inter-agency group decision to enhance the verification protocols of the U.S.-Soviet Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty.

This information was Top Secret, and the story had as its source the most active press conference man, or woman, or

During a hearing before the Committee on Foreign Relations Friday morning, May 5, I was asked whether I had ever been cited for security violations in any previous governmental posts, including a possible violation involving a briefcase. In response, I said I could only recall receiving a violation concerning a classified document left out on a desk in my office at the U.S. Embassy in Bonn.

To clarify the record, I asked the Department of State's Bureau of Diplomatic Security for a list of security violations received during my more than eight years of government service. During this period, I have received three notices of security violation. On May 15, 1987 and on May 6, 1986 notices were issued for unsecured documents in my office in the U.S. Embassy in Bonn. On February 4, 1983, while staying in a Brussels hotel with then-Vice President Bush, I was issued a violation for improper transmission of material in a briefcase. The briefcase was mistakenly taken and placed with the luggage of another guest. I immediately alerted a State Department security officer and the briefcase was promptly retreived. It was the judgment of the security officer involved that the episode did not result in the compromise of any classified material. None of the three violations listed above involved sensitive compartmented information (SCI) material.

A security violation is an incident wherein classified material is not protected in accordance with regulations. The Department of State's policy is that if an individual receives three security violations within a two-year period the Bureau of Diplomatic Security recommends to the Director General of the Foreign Service that a letter of reprimand be issued to the offending individual. I have never received such a letter.

If confirmed by the Senate, I fully intend, as I stated in my testimony on May 5, to implement and enforce a strong and effective security program covering all members of the U.S. delegation in Geneva.

EXHIBIT VII

United States Department of State

The Inspector General

Washington, D.C. 20520

June 6, 1989

SECRET
(Unclassified when separated
from enclosure)

Honorable Jesse Helms
Committee on Foreign Relations
United States Senate
Washington, D.C. 20510

Dear Senator Helms:

In response to your May 11, 1989 request regarding Mr. Richard Burt's security background, my office conducted a special inquiry into both the adequacy of the Department's personnel security procedures in place at the time of Mr. Burt's background investigations, and the actual handling of these investigations in the case of Mr. Burt. We received an allegation subsequent to your letter that the Department improperly investigated an incident involving Mr. Burt. Our special inquiry was expanded to address this issue as well.

With regard to the questions raised in your May 11 letter, we reviewed all applicable laws, Executive Orders, and Department of State directives regarding personnel security investigations, interviewed Department of State officials charged with personnel security responsibilities, and examined Mr. Burt's security and personnel files. His security file included three background investigations conducted by the Department: a full field investigation completed in January 1981, and update investigations completed in May 1985 and March 1989. We also reviewed the results of a 1982 FBI background investigation conducted when Mr. Burt was a candidate for an Assistant Secretary of State position.

Our examination of the Department's application of personnel security policies and procedures was limited to those used in Mr. Burt's case only. My office, as part of a broader initiative by the President's Council on Integrity and Efficiency, is undertaking a review of the Department's overall personnel security clearance program.

The later allegation related to a 35 mm. film cartridge containing marijuana that was found by security personnel in Mr. Burt's Bonn residence in 1986, while he was Ambassador to the Federal Republic of Germany. The security officers were conducting a sweep of Mr. Burt's quarters at his specific request. It was alleged that, in effect, the subsequent investigation by the Department sought to cover up the incident. We interviewed all of the Department officials concerned in this matter and examined all of the relevant files.

We have concluded that:

o For the three background investigations performed by the Department of State in 1981, 1985, and 1989, the policies and procedures in effect at the time were followed. Further, with two exceptions, the Department's evaluations of these investigations were consistent with the guidelines contained in the Foreign Affairs Manual (Volume 3, Chapters 160 and 629) and the (then) Office of Security Instructions and Procedures (Volumes 2 and 3). We found that the evaluations in 1985 made no reference either to a 1983 security violation arising from Mr. Burt's loss of a briefcase containing classified information or to Mr. Burt's earlier close social relationship with Ms. Miller. However, these issues -- discussed in detail in the enclosed report -- are a judgment call. Based on our detailed review, we believe that inclusion of this information in the 1985 evaluation would not have reversed the decision to continue Mr. Burt's security clearance.

o With regard to the marijuana found in Mr. Burt's residence:

-- There is no evidence whatever pointing toward Mr. Burt's use of this or of any other controlled substance while in the employ of the Department of State.

-- The initial investigation of the matter by the Office of Security was conducted promptly and with diligence, although in a manner inconsistent with professional investigative methodology. For example, it appears that no records were originated or retained.

-- The results of the investigation, for reasons unknown but in no way attributable to Mr. Burt, appear not to have been communicated formally to senior management either on an information basis or for decision.

Full details of our review are presented in the enclosed report of our special inquiry.

We are pleased to have assisted the Committee. If you or your staff have any questions about our report, please call me, Mr. Terence Shea, Assistant Inspector General for Security Oversight, or Mr. Randolph West, Assistant Inspector General for Investigations. We can all be reached on 647-9450.

Sincerely,

/s/ Sherman M. Funk

Sherman M. Funk
Inspector General

Enclosures:
OIG Special Inquiry Report

cc: Senator Claiborne Pell

~~1) DOD security official~~
~~2) Odom~~
~~3) desk~~
~~4) & may later~~
~~5) Date of FBI memo on Carter Briefing books~~

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